THE LONDON PROGRAMME

SIDNEY WEBB.

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BY

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PREFACE.

The following pages are not presented as any contribution to either science or literature. They aim at nothing more pretentious than describing, in language easily read and understood, the more important of those reforms in the administration of the metropolis, which are often known as "The London Programme." The present exposition of that programme is in no sense authoritative, and the writer has no other warrant for his task than a life-long acquaintance with London, and a very real and deep affection for his native city.

The greatest need of the metropolis is, it may be suggested, the growth among its citizens of a greater sense of common life. That "Municipal Patriotism" which once marked the free cities of Italy, and which is already to be found in our own provincial towns, can, perhaps, best be developed in London by a steady expansion of the sphere of civic as compared with individual action.

The Reform of London Government is, therefore, no

mere matter of cleaner streets or better drains. We should "municipalize" our metropolis, not only in order to improve its administration, but as the best means of developing the character of its citizens. The promotion of the interests of London as a whole, rather than those of individual Londoners, forms the leading principle underlying all the proposals in this little book.

It remains to be said that some of the matter has appeared before in print, mainly in the columns of the *Speaker*, to the editor of which the author is indebted for permission to make this further use of it.

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London, N.W.

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THE

LONDON PROGRAMME.

CHAPTER I.

WHY LONDON HAS A PROGRAMME.

London has hitherto been the despair alike of statesmen, politicians, and philanthropists. Its political apathy, no less than the appalling mass of squalid destitution which it contains, is a positive danger to the Commonwealth. Its evils have continued because it has been to the interest of no political party to deal with them. Its complaints have been slighted with impunity, and its voice has come to be regarded almost as a *quantité négligeable* in English public life.

Yet London cannot help itself. The metropolis of the Empire was excluded from the benefit of the Municipal Corporations Act of 1835, and has never yet been granted the powers of self-government possessed by every borough in the kingdom. The wisdom of Parliament has persisted, right down to the present day, in denying to London any kind of effective col-

lective organization by which the metropolis could work out its own salvation. It now possesses, it is true, a County Council, but this body, as will be shown in a later chapter, has been in its action so cribbed, cabined and confined, that it falls, in scope and efficiency, ludicrously below the standard of a third-rate municipality. The result is, that what would otherwise be but the issues of a ward election, are necessarily raised to the dignity of Imperial politics, and Ministries rise and fall on questions such as the hours of closing London's public-houses, or the price of London's water supply. This is why London, unlike Leeds or Liverpool, is driven to turn its parochial demands into a political programme ; and to claim, along with Ireland, Scotland, and Wales, its own separate share of the attention of Imperial statesmen. For, indeed, London is more than a city : it is a whole kingdom in itself, with revenues exceeding those of mighty principalities. With its suburbs it exceeds all Ireland in population : if it were emptied to-morrow the whole of the inhabitants of Scotland and Wales together could do no more than refill it : the three next largest cities in the world could almost be combined without out-numbering its millions. One seventh of the total population of the United Kingdom is gathered into the metropolitan centre, which forms at once the largest manufacturing town and the greatest port, the chief literary and scientific centre as well as the commercial,

banking, shipping, and insurance emporium of the world.[1] As such it has needs and problems peculiar to itself.

[1] The "Administrative County" of London, with its 58 Parliamentary constituencies, measures 16¼ miles in extreme length (east and west) from Plumstead to Bedford Park, and 11¾ miles in extreme breadth (north and south) from Stamford Hill to Anerley. This area comprises, including the "City" proper, 75,490 acres, or nearly 119 square miles (being three-quarters the size of Rutland or the Isle of Wight). The independent municipal boroughs of West Ham (population, 1891, 204,902), Croydon (population, 1891, 128,701), and Richmond (population, 1891, 25,389) now rejoin it on the N.E., S., and S.W., whilst on the W. and N. the "Urban Sanitary Authorities" of Chiswick, Twickenham, Acton, Ealing, Willesden, Hendon, Harrow, Hornsey, Finchley, Edmonton, Barnet and Tottenham also practically belong to the metropolitan aggregation of population.

The 119 square miles had, in 1881, 488,995 inhabited houses, containing at that date 3,814,571 persons (1,797,486 males and 2,018,997 females), being 14·69 per cent. of the population of England and Wales; 51 to the acre, 32,640 to the square mile, 7·8 to each house (Census Report, c. 3563).

This population was estimated to have increased, in 1891, to 4,211,056 persons, representing about 840,000 families, living in 549,283 houses (Report of Metropolitan Board of Works, 1888, p. 7). Its growth, continuous for at least 500 years, has gone on since the beginning of the century (when it had only 136,196 houses, *ibid*, p. 7) at a prodigious and ever-accelerating rate. Taking the best estimates prior to 1801, and the Census since that date, we get the following table:—

Year.	Population.	Percentage of England.	Year.	Population.	Percentage of England.
1350	90,000	3·60	1821	1,227,590	10·23
1600	180,000	3·27	1841	1,872,365	11·78
1650	350,000	6·26	1851	2,362,236	13·18
1700	550,000	9·16	1861	2,803,989	13·97
1750	600,000	9·16	1871	3,254,260	14·33
1801	864,035	9·72	1881	3,814,571	14·69

(Encyclopædia Britannica, vol. xiv. p. 821; and Census Report, c. 3797.)

Since the end of the seventeenth century it has overtopped

So accustomed have we become to the misery of our great city—for its squalor and its anarchy are no new things—that no statesman heeds its social disorganization. The meanest Irish borough, the smallest Scotch county is able sooner to get its local grievances redressed than the capital of the Empire.

This indifference is the inevitable result of political helplessness. London must make its power felt before its wrongs will be righted. It must find a means of unmistakably expressing its will, and use that means to secure for itself a corporate existence. Home Rule for London stands next in political urgency to Home Rule for Ireland. Five millions of people in each case refuse to be satisfied with the odds and ends and remnants of the time of the Imperial Legislature. The Parliament which grants National self-government to Ireland must also give Municipal self-government to London.

This is why there is a "London Programme." The Redistribution of Seats in 1884 gave the metropolis fifty-nine representatives in the House of Commons instead of twenty-two, and broke up its

Paris as the largest city in Europe; but its unquestioned commercial, industrial and financial supremacy probably dates only from the "industrial revolution" of the last century and the Napoleonic wars. It is now estimated to contain 250,000 persons of Irish and 120,000 of Scotch parentage; 45,000 Asiatics, Africans and Americans; with some 60,000 Germans, 30,000 French, 15,000 Dutch, 12,000 Poles, 7500 Italians, 5000 Swiss, and 40,000 Jews. (Encyclopædia Britannica, vol. xiv., p. 822.)

unwieldy constituencies into fifty-eight manageable areas. One consequence of this reform was a great quickening of political activity. Although London has received no Extension of the Franchise, the number of its registered electors has, in seven years, almost doubled. Although its claims are still slighted both by Ministers and by Party managers, its political influence is once more becoming felt. This influence has, during recent years, been exercised partly by the breathing of a "new spirit" into the dry bones of political Radicalism, and partly by the formulation of a distinctive metropolitan programme.

No authoritative exposition of "The London Programme" has been given. The phrase has, indeed, gradually come to be used with two different meanings. London has been the main source of the influences which have transformed the declared programme of the Liberal Party from the half-hearted and merely political reforms advocated in 1887, to the long string of Radical and Socialistic measures which compose it in 1891.[2] The measures of social reform which, in 1889 and 1890, were adopted as part of the Liberal policy, have often been described as the programme of London, in distinction from the more political changes demanded by provincial

[2] An account of this development, and a Socialist criticism of it, will be found in the Fabian Tract No. 7, "The Workers' Political Programme" (London: the Fabian Society, 276, Strand, W.C.—Price one penny).

Liberals. But Londoners have naturally had their own city prominently in view, and "The London Programme" is more commonly understood as the name for the series of proposals for metropolitan reform which have been pressed forward by the London Radical members since the year 1888. This programme, which has received the endorsement, in principle, of Mr. Gladstone and the National Liberal Federation, is based upon the idea of a complete revolution in the administration of nearly every department of London municipal affairs.

For the previous neglect cannot be allowed to continue. The largest city in the world, the capital of the Empire, cannot, in these democratic days, safely be abandoned to the insidious influence of its festering centres of social ulceration. We dare not neglect the sullen discontent now spreading among its toiling millions. If only for the sake of the rest of the Empire, the London masses must be organized for a campaign against the speculators, vestry jobbers, house farmers, water sharks, market monopolists, ground landlords, and other social parasites now feeding upon their helplessness. Metropolitan reform has become a national, if not an imperial question.

These million households, immersed in constant toil, and for the most part pinched by sordid cares, have long had no common standard, no conscious common action. Without effective municipal or

political organization, without unity of taxation or representation, a mere loose aggregate of shifting sand, this great community has lain almost helpless in its anarchy before the forces of spoliation.

Twenty thousand of its citizens fight in the fearful daily struggle for bread at the dock gates, and even after the Pyrrhic victory of the great Dock Strike of 1889, one-third of them, on an average, struggle in vain. Thirty thousand of its children are at school entirely breakfastless. One in every five of the five millions who began again to-day the weary round of life will eventually quit that life in the workhouse or the hospital, for want of a better refuge. One in ten of them had to accept the bitter bread of official pauper charity last year. And all this in the richest and most productive city in the world, paying an annual tribute or ground rent of fifteen millions sterling for mere permission to occupy the low hills and swampy marsh by the Thames, which labour alone has rendered productive!

Municipal Reform is, indeed, by itself, only an improvement in social machinery. The London worker takes but little interest in schemes for mere political tinkering. It must be made clear that the new organization will be no glorified vestry, or other exponent of "How not to do it," but a real engine for gradually raising the social condition of "Outcast London," worked and controlled by the people them-

selves. Londoners have to fight a hard battle all along the line, in order merely to come by their own. They have to rescue their very administration from the myriads of obsolete Boards and interested officials who now cumber the ground. They must win back their gas and water supply, their markets, and even their river, from the monopolists who now grow rich through their helplessness. Their endowments must be disgorged by the negligent or fraudulent trustees who have misappropriated them. Their poorer brethren must be guarded from their present so-called "Guardians." The very site of their city, growing daily in value by their labour, must be redeemed before their corporate existence can be securely complete.

It will be a hard struggle and a long one. But from this struggle London must not shrink. If the foes are numerous, London can be strong. If the fight is severe, the prize is great. And we dare not hesitate. Whatever the cost, this vast province covered with houses can no longer be safely neglected. These five millions of Englishmen cannot be left unorganized, a prey to every social disease. This is why there is, and why there must be, a London Political Programme.

CHAPTER II.

THE COUNTY COUNCIL IN CHAINS.

THE capital of the Empire has at last got its directly elected central municipal body of 118 elected members (with 19 co-opted aldermen!) under the name of County Council; but so much still remains to be done before it attains the freedom and social activity of the provincial cities, that Municipal Reform must still remain the most prominent feature in the London Programme.

Few persons realize at all adequately how limited are the powers and municipal functions of the body which the Local Government Act of 1888 created for the municipal administration of the metropolis. The London County Council is often assumed to correspond roughly (outside the City) with the Town Council in a provincial borough. But it is a municipal authority without any of the powers and duties which take up nine-tenths of the time of a provincial Town Council. It has nothing to do with paving, cleansing, or lighting the streets; waterworks, gasworks, markets, and tramways are completely outside its province; its police

form an army as alien as the Irish constabulary; it is functionless and almost powerless in valuation and assessment; it does not collect its own rates; it has no more control over the Thames than over the tides; it is neither the sanitary nor the burial authority; and it cannot even prepare or supervise the registration of the voters who elect it. It is, in fact, simply a cross between the county justices and the Metropolitan Board of Works, and its chief occupations are a strange hotch-potch of lunatic asylums and the fire-brigade, main drainage and industrial schools, bridges and baby-farms.

Part of this confusion is due to the neglect of the Government to fulfil their pledge to complete the scheme of Local Government reform by the establishment of District Councils. In London the District Councils, absorbing the existing Vestries and District Boards, will necessarily relieve the central municipal authority of much of the ordinary work of a Town Council. How the necessary powers should be divided between the Central and District Councils, and what should be the areas of these latter, are problems for which no unanimous solution has yet been arrived at. Sir Charles Dilke has pleaded for the preservation of existing vestry areas, and the retention by the District Councils of wide and independent powers. Other practical experts, including such a "Moderate" as Mr. W. M. Acworth, incline to the

centralized administration of Paris, or, let us rather say, of Manchester and Glasgow.

This question is dealt with in the following chapter, but, in the meantime, it is worth notice that many of the practical difficulties of the London County Council arise from the ambiguity in which Mr. Ritchie and Parliament have left the relations between the various metropolitan authorities. The struggle in the Council during 1890 as to the propriety of its maintaining small local open spaces affords a typical instance of this uncertainty of sphere. Every meeting of the Sanitary and Housing of the Working Classes Committees is taken up with similar questions. The whole range of the Council's relations with the City Corporation forms a dense jungle of legal complications, thickly beset with the pitfalls of audit surcharges and proceedings *ultra vires*.

Quite apart, however, from the difficult question of District Councils, the powers and functions of London's central municipality obviously require considerable enlargement. The quinquennial revaluation of the metropolis is about to endow the eight London water companies with a clear gift of at least a million and a half sterling in capital value, without increased expense or additional supply. Yet the London County Council has not even the power to spend a thousand pounds to investigate London's water supply. The Thames is, indeed, apparently considered to have as

little interest for the representative authority of London as the Shannon or the Suck. The metropolis urgently needs further market accommodation, but there is absolutely no "markets authority" for London. Part of London's tramways could be acquired for the public this year, but London has no public body having the power to imitate Glasgow in leasing out its own tram-lines, or Huddersfield in directly working its own tram-cars. The House of Commons must perforce attend to the grievance of London's policemen, and the metropolis be brought within an ace of a police strike, because the London County Council is refused the usual "Watch Committee" of the typical municipal borough. It must be becoming increasingly evident that Imperial Parliament is no better fitted to deal with the urgent questions now arising in connection with these local public services than with London Main Drainage or the Metropolitan Fire Brigade.

Nor is London allowed to help itself in these matters. The London County Council may, indeed, oppose local and private bills as the representative of the London people, but it has no power as such to promote a bill even for the most purely local affairs. Its loan transactions necessitate an annual "money bill," for the passage of which through Parliament it has to resort to the cold and critical offices of the Lords Commissioners of Her Majesty's Trea-

sury.[1] If it wants to buy up the water companies it must first get power by a special Act of Parliament to defray the preliminary expenses before it can proceed, like a mere railway projector, by private bill, with all its cumbrous and expensive machinery of November notices, and the thousand and one expenses of the Parliamentary agent. When the Sheffield Town Council bought out its water companies, at a cost of 7*l.* per inhabitant, it consumed no public Parliamentary time, and caused no ripple on the tide of political life. The attempted purchase in 1879 of the London water companies at about the same price destroyed a powerful Ministry, and Home Secretaries will henceforth fight as shy of London water as of English beer. When the London County Council attempted in 1890 even to begin to solve its difficulties for itself by inserting clauses in its annual "money bill," the Government insisted on their omission.

The minor difficulties of the Council's work are almost incredible. In order to preserve the symmetry of Mr. Ritchie's Bill, the administrative authority of four millions of people was placed under the same restrictions as the successors to the justices of the smallest rural county. Because such rural councils meet only at long intervals, London's Council can

[1] The Conservative Government is now altering even this arrangement, and throwing the Council back upon the tender mercies of a Private Bill Committee (April, 1891).

equally only be summoned by three days' notice of the agenda, sent by registered letter. The Post Office accordingly pockets a weekly profit, and all committees of the Council meeting after Wednesday in each week must see the confirmation and execution of their proceedings unnecessarily delayed. No work over 50*l.* may be incurred or payment made without a separate estimate having been prepared by the appropriate committee, passed by the finance committee, and voted by the whole Council. The great Council of this "province covered with houses," exceeding in population many kingdoms, and in financial importance most of our Colonies, is not permitted to arrange even its most ordinary expenditure by an annual budget and "Appropriation Act," but must deal specially with each item as if it were an unprecedented charge. No power exists to make even the most urgent payment outside the regular routine, and it has been found absolutely impossible to pay the wages of the Council's servants without breaking Mr. Ritchie's law. What provincial Town Council would endure such restrictions for a single session?

Nor need reform wait for the complicated and difficult creation of District Councils. Much of the work of a provincial Town Council, and therefore many of its powers, must necessarily be accorded to these new bodies. But the two and a half years' experience of

the County Council has revealed innumerable minor omissions in the Local Government Bill, every one of which cramps and fetters its action. These could all be removed by a short and practically noncontentious bill, which the Parliamentary Committee of the Council would be only too delighted to draft. Hitherto the Government has turned a deaf ear to their complaints, and refused to offer any facilities for the passing of such a measure. What London has to do is to insist on allowing a free hand to the County Council in all matters of internal organization and routine, and granting to it all the powers of a provincial municipality, except in so far as these are conferred upon District Councils.

London, in fact, though Mr. Ritchie forgot it, is something more than a county; it is also a city, and the greatest which the world has ever known. The London County Council has inherited the chaotic powers of the Metropolitan Board of Works, and has been granted such others as are enjoyed by the county of Huntingdon, or the western division of Suffolk. What it now needs is to be placed on a footing similar to that of a municipal borough. There are sixty-two "county boroughs" in England and Wales, varying from Liverpool with 500,000 inhabitants down to Canterbury with 21,000; but London is not yet judged worthy to be ranked even with the least of these. Mr. Ritchie made London a county, and for this we

owe him thanks; it remains now to make the capital of the Empire also a municipality. Not till then can we be freed from the irksome intrusion of metropolitan disputes into an Imperial Parliament; not till then can we call upon London to settle its local affairs and work out its own salvation in its own way.

CHAPTER III.

THE ABOLITION OF VESTRYDOM.

PERHAPS the most pressing of all questions of the London Programme is the Abolition of Vestrydom. The County Council is all very well as far as it goes, but, as we have already seen, most of the functions of administration in the metropolis are, at present, beyond its scope, and free from its control.

Much of the ordinary work of a municipality, including the paving, lighting, watering and cleansing of the streets, the abatement of nuisances, the enforcement of the sanitary laws, the removal of dust, the construction and maintenance of local sewers, still remains in the hands of a congeries of obscure local boards, the 5000 members of which, though nominally elected, are practically unknown, unchecked, unsupervised and unaudited. How they have done their work every Londoner knows only too well. The duties neglected by these vestries and district boards are more important than those they attempt to perform. For instance, under the Labouring Classes Dwelling Houses Acts (14 and 15 Vic. cap. 34, and subsequent Acts) they

long had power (now transferred to the County Council) to acquire land and to build or hire tenement or lodging houses for the poor. They still have power (under the Sanitary Acts, especially 29 & 30 Vic. c. 90) to condemn and close insanitary dwellings, and (under the Torrens Act, 31 & 32 Vic. c. 130, and others) to acquire and pull down condemned houses. They have power to make and enforce stringent rules for all houses let in lodgings or tenements, providing for their systematic registration, inspection, and sanitation; enforcing proper accommodation; providing against overcrowding, and for the separation of the sexes. They have power (18 and 19 Vic. c. 120, sec. 118) to organize a regular corps of crossing-sweepers —if need be, from the unemployed—and so to put a stop to the present evil system of licensed mendicity. They have power in every parish to do what has been done only in a few—to provide public libraries, baths and wash-houses, mortuaries, open spaces, seats for the weary, and other conveniences for common use.

But these Acts are not compulsory. The vestry has power to do all these things; but it also has power not to do them until the citizens wake up to their responsibilities and compel it to take action. Unfortunately, those who suffer most from parochial neglect are not influential. There has been no really democratic control: consequently the vestries have almost uniformly neglected their most important

public functions, and largely mismanaged those which they have undertaken.

The London vestries and district boards of works are the creation of the Metropolis Management Act of 1855, modified, in some cases, by local Acts. Before that date the administration of London outside the City was in the hands of over 300 different parochial bodies, composed of about 10,000 members. The arrangements were controlled by several hundred private and local Acts of Parliament, which were practically unknown and inaccessible, except to the officials themselves. The methods of election and appointment, the powers of the public and the functions of the different Boards varied from parish to parish; often, indeed, from street to street. Some districts had no legally-constituted authority whatever. Sir Benjamin Hall's Bill brought some kind of order into this chaos. The metropolitan district of the Registrar-General was taken as that of "London," which for the first time became (outside the City) something more than a geographical expression. The seventy-eight parishes in this district were made the basis of the new municipal organization. Of these, twenty-three were of sufficient importance for the reformed parish vestry to be made the unit of municipal administration. The other fifty-five were grouped under fifteen district boards of works elected by the vestries. The District Board of Fulham has since been dissolved, so

that there are now twenty-five vestries possessing municipal functions, and fifty-three which elect fourteen district boards of works.

The vestrymen are elected by persons whose names have been on the rate-book of the parish for one year prior to the election, which takes place annually, but only one-third of the vestrymen retire each year.

No person is qualified for election unless he is the occupier of premises rated at 40*l.* per annum. The Local Government Board has, however, power to reduce this qualification to 25*l.* in districts where five-sixths of the houses are rated at less than 40*l.* But either qualification is sufficient to exclude nearly all the artisans and labourers, and metropolitan vestrymen are mainly taken from the class of small shopkeepers, or from among the owners of small house property, eager to escape the sanitary laws. The number of each vestry is usually much too great; the larger parishes have to elect 120 representatives, to whom are added the incumbent of the parish church and the churchwardens as ex-officio members. Such unwieldy Boards, formed out of such unpromising material, have, not unnaturally, proved anything but satisfactory.

The arrangements for elections are primitive. A meeting of ratepayers is held on a day in May, the hour being usually fixed in the morning, when few persons can be present. No prior nomination of

candidates is required, and the election takes place by a show of hands at the meeting. If a poll is demanded, it must be taken on the very next day. No register of voters is available, and, indeed, any person entitled to have his name on the rate-book is entitled to vote, even if he is not, in fact, rated. The election is not subject to the provisions of either the Parliamentary or the Municipal Corrupt Practices Act, and the Ballot Act does not apply to it. No notice is taken of it by the leading newspapers; the very slightest public interest is aroused; and practically the 5000 members of the seventy-eight vestries elect each other.

London's first requisite in local municipal administration is a new start. The mere breaking loose from the old vestry traditions will be one of the most important advantages of the establishment of District Councils. These District Councils, to enlist the public interest, must, from the outset, be given important and independent powers; they must be popularly elected for districts forming natural administrative units; and the arrangements connected with them must be systematic and easy of comprehension by the plain man and average citizen.

Various schemes have been put forward for this completion of Municipal Reform in London, and Time has yet to prove which is the best of them.[1]

[1] See Sir William Harcourt's Bill of 1884; Firth's "Municipal London" and "Reform of London Government"; the

The first question for decision is that of the number of District Councils and their areas. At present only four districts in the metropolis have one and the same set of boundaries for Parliamentary, Municipal and Poor Law purposes.[2]

In nearly all other cases the fifty-eight Parliamentary constituencies, the forty districts of Municipal authorities, and the spheres of the thirty Boards of Guardians, overlap each other in a manner utterly destructive of genuine local life. Superposed over these again are the eleven divisions for School Board purposes and the areas of the District Surveyors under the Building Acts. It is of less consequence that there are yet other separate distributions of London for the purposes of the Gas and Water Companies, the Surveyors of Taxes, the Superintendents of Excise, the Inspectors of Factories, the Post Office and the Police.

This metropolitan chaos cannot be set right all at once, but the establishment of District Councils must, at any rate, not increase the confusion. The least apathetic element in London's collective life is undoubtedly that which has the Parliamentary constituency as its unit. This has already been adopted for the purposes of the County Council,

proposals of the Municipal Reform League, March 1891; the scheme of the London Liberal and Radical Union, May 1891.

[2] These are the City, Chelsea, Hampstead and St. George's, Hanover Square.

No other division has any kind of popular organization; no other electoral area is so much aware of itself as a corporate whole. There is, accordingly, much to be said for the adoption of this area as that of the new District Council.

But although, as a general rule, the Parliamentary constituency is the only really organic unit, this is not always the case. Many of the larger parishes retain a considerable remnant of conscious local life. The distribution of the affairs of St. Pancras or Islington among their four Parliamentary divisions would involve, moreover, an almost hopeless entanglement of municipal property, debts, buildings and officers. It appears, therefore, necessary to accept, in some cases, the group of Parliamentary constituencies coinciding with the present vestry division as the area of the District Council, regard being had to local sentiment in each case. This would enable the existing areas of municipal administration to be nearly everywhere preserved. A few rectifications would, however, be required, but this plan appears to involve the minimum of disturbance.[3]

This arrangement would give us about thirty District Councils, varying from about 60,000 to

[3] Some amalgamations would be required, such as those of Woolwich and Plumstead, and the Strand Board of Works with St. Martin's and St. James's Vestries. In a few cases parishes would have to be combined afresh, as in Holborn and Southwark.

400,000 in population. Where the district included more than one Parliamentary constituency, it would be desirable to divide it into wards corresponding with the Parliamentary areas. In this way the units of election for Parliamentary County Council and District Council purposes would be identical throughout the metropolis.

The next question is that of the composition of the new Councils. There is, however, now little left for discussion. The District Councils must, of course, be wholly elected by popular vote, on whatever register of electors is, for the time being, in force. The number of members should never exceed fifty, even in the largest council, and might therefore be fixed at one for every 10,000 inhabitants, within a minimum of twenty members for the smallest council. Except, possibly, the County Councillors for the district, no ex-officio or nominated members can be allowed, and there appears to be no reason for placing any restriction on the choice of the electors. As for the London School Board, "any person" should be eligible for election, without residential, rating, property or other qualification, and without distinction of sex. The franchise for electors can hardly be other than that for the time being in force for the County Council elections, extensive simplification of the registration arrangements being obviously near at hand. The elections should, it is suggested, take

place once a year, the members of the Council being elected for two years, one half retiring each year. The election arrangements will clearly have to be those in force for the County Council elections, including, therefore, the payment of election expenses, and the application of the Ballot and Corrupt Practices Acts. If we are really to secure the participation of the wage-earners in municipal life, payment of members must be adopted, as a matter of principle, for all representative bodies, the County Council and the District Councils as well as others; but, failing this, shorter hours of labour and evening meetings should adequately enable all classes to attend and freely perform their share of public administration.

The most important point is, however, the relation which the District Councils should bear to the County Council, and the manner in which the municipal functions of the metropolis should be divided between them. It is urged, on the one hand, that the advantages to be gained by unity of administration, and freedom from local corruption, make it desirable that the County Council should decide all matters of principle, and have power to see that its decisions are carried out. The District Councils would, on this plan, be little more than local administrative committees, carrying out a general scheme of municipal polity imposed on them from above. On the other

hand, it is contended that the examples of the Boards of Guardians and Board School Committees of Local Managers show that these advantages can be purchased only at the expense of destroying all vitality in the local bodies, and of rendering it difficult to induce men of ability to serve on them.

There can be little doubt that the latter view, aided by the forces of all the existing local authorities, is destined to prevail. The District Councils will undoubtedly be bodies of independent authority, having power to raise their own rates, expend their own funds, and settle their own questions in their own way. They will take over the existing powers of the vestries and District Boards, including, therefore, the paving, cleansing and lighting of the streets, the control of local sewers; and they will no doubt be given all ordinary functions of a Municipal Corporation except those reserved to the County Council.[4]

The work of the existing multitude of obscure local authorities (such as Burial Boards, Commissioners of Baths and Wash-houses, Commissioners of Free Libraries, and others) will doubtless also be transferred to them.

One apparently minor reform, of far-reaching importance, cannot be too strongly insisted upon. A large part of the inefficiency, stupidity and jobbery of

[4] And except any to be entrusted to a Dock Board, see Chapter VII.

the smaller London vestries has been caused or permitted by the absurd custom of allowing the vestry clerkship to be an appanage of some old-fashioned and busy firm of solicitors. The clerk to the District Council should in all cases be an independent officer, paid to give his whole time to his municipal duties.[5]

In some cases, however, such as that of local sewers, which must necessarily be dealt with in connection with London as a whole, the County Council must be granted powers of direction and control. In others, such as the paving, cleansing and lighting of main arteries of metropolitan traffic, it would be unfair that the burden should fall exclusively on the particular locality. Moreover, the existing arrangement, by which the County Council pays part of the cost of local improvements and part of the expense of the Medical Officers of Health, is not likely to be altered.

There is a further strong reason for giving the County Council some additional powers of criticizing the action of the local councils. At the present time the rates levied for municipal purposes vary from 3*s.* 6*d.* in the poorer parishes to 2*s.* in the richer. This inequality, due mainly to the unequal value of the land and houses in the different districts, and coinciding with a corresponding inequality in the Poor Rate,

[5] Particulars of the emoluments of the employés of Vestries and District Boards will be found in the Blue Book, H.C., 14 of 1890–1.

ought not to be allowed to continue. It is not, however, desirable to throw all the expenditure of the District Councils into one common fund, and levy an equal rate all over London. Such an arrangement would, it may be feared, tend seriously to local extravagance. But all the checks on local extravagance would be preserved if a fixed contribution, based upon population, were made towards the expenses of each District Council out of some common fund.[6] This contribution might be made nearly to equal the amount which experience shows to be the necessary minimum cost per head of decent administration. Any local extravagance or waste, and the cost of any municipal luxuries, would thus fall, as now, exclusively upon the locality. But the densely crowded inhabitants of Bethnal Green or St. Luke's would not, as at present, be compelled to pay for the mere cleansing and lighting of their streets a much larger percentage of their rents than the dwellers in Kensington or the City.

The City of London (650 acres) and the district of Bermondsey (627 acres) have approximately the same area, and presumably about the same length of streets to keep clean and lighted; but in the City the cost is spread over property worth 4,063,211*l.* per annum,

[6] This is the principle which has been in force since 1867 in the administration of the "Common Poor Fund" (see Chapter X. p. 94); and was adopted in 1889 for the distribution (4*d.* per day per head for each indoor pauper) of the sum allotted to London in lieu of the grants in aid of local taxation.

whilst it has to be borne in Bermondsey by property worth only 423,843*l.*, scarcely one-tenth of the amount.

Kensington and Poplar each have to watch over the sanitation of about 20,000 houses, and each employ five inspectors of nuisances for the work, but the cost of this municipal function is borne, in Kensington, by property worth 1,999,763*l.* a year, and in Poplar by property worth only 692,705*l.* a year.

But this comparison does not bring out the full inequality of the burden. The work of scavenging, whitewashing courts, disinfecting and preventing nuisances, is necessarily much greater in the poorer districts than in those inhabited by wealthy people. It is an almost invariable rule in London that the density of the population is an index of its poverty. Hence those parishes which have the most work to do have, at present, the smallest resources for that work. Yet in its due performance, not the parish alone, but the whole metropolis, is interested. The distribution according to population of the proposed "Municipal Common Fund" would give those districts most to spend per acre which needed to spend most. The City and Kensington would contribute to Shoreditch and Clerkenwell.

The "Municipal Common Fund," thus formed, could hardly be administered by any other body than the County Council, which should therefore have the right

(subject, perhaps, to an appeal to the Local Government Board) to insist upon the maintenance of a proper standard of municipal efficiency in every district in London. It would, moreover, clearly be necessary that some common plan of accounts and bookkeeping should be laid down for the District Councils, and that the County Council should be empowered to audit them.

Many other details will occur to anyone acquainted with the intricacies of London Government, but upon these it is unnecessary here to enlarge. Once London has decided on the general principles, we may leave it to the Local Government Board to elaborate the Bill. The main point, indeed, London has already emphatically decided. The complete abolition of vestrydom, and the establishment of powerful District Councils on democratic lines, forms a prominent item in the London Programme.

CHAPTER IV.

LONDON'S WATER TRIBUTE.

LONDON is at present supplied with water from the works of eight companies of private shareholders, who profess to have expended a total capital of over 14,000,000*l.* upon them. This amount is, however, largely swollen by the former reckless competition between rival companies, by legal and Parliamentary charges and by the wasteful extravagance engendered by abundant wealth. It is probable that duplicates of the existing works, mains and other plant could be constructed for a much smaller sum—say ten millions sterling.[1]

It costs under 700,000*l.* a year to supply London with water; but London has to pay more than 1,700,000*l.* a year for the water so supplied. The surplus serves to pay, on an average, over seven per cent. on the nominal capital of the eight water companies (some shareholders receive over twelve per cent.).

[1] See Clifford's "History of Private Bill Legislation;" Sir Lyon Playfair's "Subjects of Social Welfare;" Mr. Archibald Dobbs' pamphlets; Mansion House Council pamphlet on "The London Water Supply," etc.

The money question is, however, the smallest part of the difficulty. The present London water supply is neither adequate in amount nor safe in quality. The mere growth of population, without any increase of the quantity per head, is rapidly overtaking the limit of the present sources. But the quantity per head must of necessity be rapidly increased. At present little more than half the houses in London have a constant supply.

NUMBER OF HOUSES SUPPLIED, AND PROPORTION OF THEM, WITH "CONSTANT SUPPLY."

Name of Company.	Constant Supply.		Number of Houses.		Percentage of Houses on Constant Supply on 31st Dec., 1887.	1887. Average Daily Total Supply for Domestic Purposes.	
	1886. 31st Dec.	1887. 31st Dec.	1886. 31st Dec.	1887. 31st Dec.		Per House. Galls.	Per Head. Galls.
Chelsea	5,160	5,961	34 251	34,435	17	233	29·56
East London ...	137,248	137,859	156.588	160,252	86	190	25·43
Grand Junction	40,[illegible]93	41,581	52,794	53,831	77	251	27·73
Kent	35,336	37,684	68,136	70,119	50	140	23·42
Lambeth	40,333	43,678	84,406	85,418	51	170	24·40
New River ...	42,458	51,668	148,054	149,457	35	161	21·51
Southwark and Vauxhall	25,180	33,389	107,191	108,741	31	176	23·73
West Middlesex	20,193	23,256	68,186	69,908	33	173	23·18
Totals ...	346,691	375,076	719,906	733,161	51	180	24·29

Everyone knows that sanitary requirements are advancing and ought to advance rapidly. It is equally clear that baths and washhouses, swimming ponds, fountains, and other conveniences are being multiplied. Last summer the County Council found

it necessary to do the scavenging of some of the dirtiest East End streets by flushing them with fire hose. As for the public health, we are at present placing a very optimistic reliance on inspection of fittings, but it is becoming daily more clear that some at least of our present water sources will have to be discarded before long.

The water supplied is indeed often of doubtful quality. Five companies derive it wholly or partially from the River Thames; the two largest mainly from the River Lea; and only one (Kent) from deep wells. As the population in these river-valleys increases, and as the extensive use of manures on the land becomes more general the sources of supply become steadily more polluted.[2]

AVERAGE DAILY SUPPLY OF WATER FOR DOMESTIC PURPOSES TO EACH HOUSE. (H.C. 136 of 1885.)

Name of Company.	Number of Gallons.		Increase or Decrease in Gallons.
	In 1872.	In 1883.	
Chelsea (estd. 1723)	252	246	− 6
East London (estd. 1691)	160	205	+ 45
Grand Junction (estd. 1811)	279	238	− 41
Kent (estd. 1809)	135	134	− 1
Lambeth (estd. 1785)	185	173	− 12
New River (estd. 1619)	166	167	+ 1
Southwark and Vauxhall (estd. 1805)	171	168	− 3
West Middlesex (estd. 1806)	178	161	− 17

[2] "Farnham, Guildford and Woking still deliver untreated sewage into feeders of the river Thames. Staines continues to pollute the main stream. . . . Instances of pollution of the

The supply itself is insufficient also in quantity, the amount furnished to each house being, indeed, positively diminished.

It is not a difficult sum in municipal arithmetic to put these concurrent facts together and calculate the date when the first city of the world will find itself, in the midst of a dry summer, face to face with a cholera scare and a water famine.

If the metropolis of the Empire possessed the municipal powers of a provincial Town Council, or a Scotch "Royal Burgh," the way out of the difficulty would be obvious enough. A resolution in the Council, a public inquiry, a scheme by the best available water engineer, would lead, with the least possible delay, to an ordinary local Act of Parliament and a new supply from the nearest uncontaminated source. The existing mains and plant would be taken over at a valuation, fixed after the due amount of haggling between the "Water Committee" and the representatives of the companies, and within five years Londoners would be drinking pure soft water from Leith Hill or a Welsh lake, and cleaning the streets with the liquid from the Thames and Lea with which this generation has hitherto vainly attempted to satisfy the requirements of five millions of people.

River Lea are not wanting" (p. 137, Local Government Report, 1887-8, C—5,526).

By the wisdom of Parliament, London is not allowed to take this course. The London County Council has no power even to establish a committee of inquiry into the supply of London with water, much less to promote a Bill to give itself the powers necessary for negotiations with the eight powerful companies in whose grip London now lies helpless.

The House of Commons has accordingly had once more to take the matter in hand itself, and a select committee is now sitting (April, 1891) to inquire into a matter which ought never to take up the time of the Imperial Parliament at all.

It is now admitted on all hands that the water supply of London must be placed in the hands of a public authority. The main question is how the public authority should be constituted?

One difficulty arises from the fact that the eight London water companies supply, not London alone, but also a wide expanse of Middlesex, Essex, Kent and Surrey. Berkshire and Hertfordshire are also interested in London's sources of supply. The water authority for London must therefore needs act also for these neighbouring districts, the area of which far exceeds that of London itself. The difficulty thus created is, however, not insuperable. A similar state of things prevails in Liverpool, Birmingham, Manchester and other places owning their waterworks. It is not found, in practice, that the neighbouring

districts either need or desire to be represented on the municipal water authority. It would, however, not be impossible to arrange that a certain number of members should be added to the London water authority, in order to ensure full consideration of the needs of the outlying areas.

It does not, however, appear necessary to create a special "Water Trust." Such a body would have to be formed either by official nomination, or by delegates from the public bodies of all the districts affected. Direct popular election would be impossible, and no such body would secure and maintain the confidence of the public unless it were directly responsible to its constituents.

The suggestion which finds most favour, is that the task of administering the water supply should be entrusted to a statutory committee of the County Council, on which due provision could be made for the proportional representation of Middlesex, Kent and Surrey, by the County Councillors for the parts of London situated within those counties.[3]

The next difficulty is the magnitude of the financial interests involved. But here Londoners should make their decision known before it is too late. There must be no question of buying out the existing companies on the basis of their present profits. The

[3] The City Corporation has now agreed (May, 1891) to accept such a committee as a satisfactory solution of the problem.

companies talk, indeed, as if those profits, based upon their statutory water-rates, were to be treated as so much income from property, to be purchased only at thirty years' purchase.

But the companies possess no monopoly of supply. They have had the privilege of carrying on a very profitable business. Yet even the oldest established of businesses establishes no right to a continuance of the buyer's custom. If he chooses to supply himself at another shop, or by his own efforts, he is not called upon to compensate his former tradesman for disappointed expectations.

The water companies have not even any vested interest in their present statutory rates of charge.

These statutory rates vary from company to company. The following are the ordinary rates now in force, irrespective of extra charges for baths, water-closets, gardens, and high service :—

Company.	House rated at		
	£30.	£50.	£100.
	£ s. d.	£ s. d.	£ s. d.
Lambeth	2 12 0	3 17 0	6 5 0
East London ... ... } Southwark and Vauxhall } ...	1 10 0	2 14 0	5 6 0
Kent	1 11 0	2 10 0	4 0 0
Chelsea ... } Grand Junction } New River ... } West Middlesex }	1 4 0	2 4 0	4 6 0

Parliament has, indeed, not scrupled in past years

to reduce their income without compensation. In 1885, as Lord Bramwell unkindly reminds them, Mr. Torrens's Act forbade them to levy their statutory percentage upon the full annual value, and restricted them thenceforth to the "rateable value,"—an amount, as Lord Bramwell observes, "which was practically five-sixths only of the value. It was a downright confiscation, and therefore a precedent for another. It caused a loss to the Vauxhall Company of 9,000*l.* a year." Indeed, already in 1821 a Bill was laid before Parliament proposing to limit the companies' charges, and they only avoided legislation by timely concession.

But those who, like Lord Bramwell, still adhere to the "good old plan," and regard even accidental power to tax the public as an indefeasible title, are to-day few and far between. The Select Committee of the House of Commons in 1891 had before them the fact that, as Sir W. Harcourt's Committee observed in 1880, "if the contention of the companies is well founded, the population of the metropolis and its suburbs, amounting to four millions of people, would be left at the mercy of certain trading companies armed with the power of raising the price of one of the first necessities of life to an extent practically without any limit: a situation from which the companies seem to consider there is no escape except in the purchase of their undertakings at such a price as they may be willing to accept." Are we, either in

law or in equity, compelled to buy up this income-yielding right as if it were Consols?

Sir Thomas Farrer, in a weighty article in the *New Review*,[4] concurs with Sir W. Harcourt in emphatically answering "No," and his readers can, we think, hardly fail to agree with him. The former Secretary of the Board of Trade shows how inevitable is the early construction of works for an entirely new supply; how the Lea is already giving out, and the Thames near exhaustion as a source of potable water; how the existing machinery of distribution and filtration is, in any case, defective; and how "aqueducts larger than Rome ever contemplated" must be undertaken for the city whose size and whose wealth Rome itself never approached. How, then, in the face of these new needs, can the metropolis be asked to pay thirty-three millions sterling for the obsolete plant which has already yielded its owners such an excellent return for their outlay?

"But Parliament," continued Sir W. Harcourt's Committee, "is not unequal to redress such mischiefs to the public interests. The manner in which the gas companies have been dealt with by Parliament may be referred to in illustration of the methods by which a remedy for such a state of things may be effectually provided." For, be it always remembered, the eight London water companies have never

[4] March, 1891.

possessed any statutory monopoly. In some of the private Acts Parliament indeed expressly forbade the amalgamation of the competitors. As with the gas companies, in past years active competition existed between them, and even to-day two companies occasionally possess rival powers to supply the same area. Any landowner may, like the great breweries, seek his own supply from his own well. Any combination of persons may exercise a similar right. The St. Pancras Board of Guardians already supplies its workhouse in this way, at the expense of public funds and to the serious loss of the New River Company. The Marylebone Vestry promoted Bills in Parliament in 1818 and 1819 to enable it to construct its own waterworks. The Metropolitan Board of Works, before its extinction, was seeking powers to provide an altogether new supply for the whole metropolis. Just as the recalcitrant gas companies were brought to terms by the threat of a competing scheme by the City Corporation, so must our "water lords" be dealt with by the London County Council. We must go to the companies with two simultaneous Bills, backed by the Ministry of the day. In the one hand, London must present an offer to purchase their plant and mains at a fair valuation as they now exist, without reference either to cost or to Stock Exchange share quotations. In the other hand, Londoners must hold the right to seek for themselves a new supply of the

prime necessity of urban life, and to provide for themselves the most improved methods of filtration and distribution. Negotiations on any other basis can hardly fail to lead to the deadlock of 1880, which proved fatal to Lord Beaconsfield's Administration. Any repetition of the financial proposals of that year may be trusted to produce to-day no less a storm among the six hundred thousand metropolitan electors.

But there is, in the meantime, one question which is urgent, viz., that of the additional charge about to be imposed upon Londoners by the automatic operation of the quinquennial valuation.

The position of the London household in this matter is, indeed, nothing less than a public scandal. In April 1891 the new valuation of the metropolis came into force, and the total rateable value jumped from thirty to at least thirty-one and a half millions sterling. If no change in the law is made, the eight London water companies will send in their next bills swollen by about 4 per cent. on this increase without distributing a pint more water than before. The extra income of about 50,000*l.* per annum will be a clear addition to the net profits of the shareholders, who expect next year to be bought out at between twenty and thirty years' purchase. On the 1st of April 1891—an appropriate day for Londoners—the amount for which they were virtually held to

ransom rose by at least a million sterling. This is the charming *poisson d'Avril* which the framers of the Valuation (Metropolis) Act unconsciously prepared for us. It must be remembered that the increase in the valuation on the quinquennial revision does not represent new houses or rebuilding. The new premises occupied during about nine-tenths of the quinquennial period have already come into rating in the periodical supplementary valuation lists. On all these points of new supply, representing about 400,000*l.* a year of annual value, the water companies have already been allowed to levy their rates. The quinquennial rise is almost entirely due either to sheer "unearned increment" of land values or increased accuracy of assessment. It is hard to discover why either of these causes should increase the aggregate price of London's water supply.

It is not as if the increased valuation formed a part of any bargain with the water companies. These were established—the oldest nearly three centuries ago, the youngest two generations ago—long before the Act of 1869 provided for an effectual periodical revision of the metroplitan valuation. That Act was passed with a view to the stricter enforcement of the Income Tax (Schedule A) and the more equitable partition of the aggregate burdens of London government. There was, it may safely be said, no thought and no intention of quinquennially increasing one of

the most important of those burdens. Our water-rates now come to one-fifth of all the cost of London government and London poor relief. In 1869 they were only a little over one-third of their present amount. During that time the annual rateable value of London has grown by over sixteen millions sterling, of which at least seven millions represent merely the automatic rise in value of London real estate. What this has meant to the water shareholders is shown by the growth in the market value of their stock. In 1871 their ten millions of expenditure were worth over fourteen millions, a premium of 44 per cent. In 1890 the fourteen and a half millions expended were worth thirty-three and a half millions, or a premium of 125 per cent. The unearned increment of London water shares has been even greater in proportion than the unearned increment of London land; and because the water companies have enjoyed the unexpected gain of annually charging rates on the latter unearned increment, we shall be called upon to pay for their mains at least seven millions sterling more than they could have asked had this fortuitous item been excluded.

The convenience of paying for water supply by a general rate rather than by meter is evident and admitted. But a water rate which rises with the "unearned increment" of the value of metropolitan houses, and which is added to every time that the

rateable assessment for general charges is increased by the inclusion of such items as advertisement spaces, or machinery, or licenses, is flat extortion when it is levied by private persons for their own profit, and without any corresponding increase either in the supply of water or the cost of it.

This is the increased grip upon the London householder which the Bill introduced by Mr. R. K. Causton, M.P., in 1891, sought to stop for the future. This measure, which has been drafted with considerable skill, would prevent the companies from ever exceeding the existing valuation on any house, unless, by rebuilding or otherwise, an additional supply of water is required. So moderate is this demand that one of the eight companies has already intimated its willingness to accept it. So unreasonable would be its rejection that the Ministerial Whips warned their leaders not to divide upon it. Not even the strongest metropolitan Conservative member cares to be held responsible for an increased water-rate next Michaelmas in every house in his constituency. But the Government found no opportunity of facilitating its passage into law, and the Select Committee, to which it was referred, shelved the question in favour of the larger issues. London will, therefore, once more have to pay pretty dearly for its political helplessness. The municipalization of its water supply is evidently one of the most pressing items in the London Programme.

CHAPTER V.

LONDON'S GAS BILL.

LONDON'S gas supply has now fallen, by successive amalgamations, into the hands of three colossal companies (in 1855 there were 20), whose capital outlay, including past competitive waste and lawyers' bills, exceeds 14,270,000*l.* On this amount they manage to obtain a handsome profit, the annual surplus being over 1,000,000*l.*, or over seven per cent. So abundant, indeed, is the profit to the ordinary shareholders, that huge salaries and pensions are paid, and unnecessary renewals executed, merely to avoid returning a larger surplus. Under the influence of the sliding-scale rule the largest company gradually reduced its charge from 5*s.* per 1000 cubic feet in 1874, to 2*s.* 6*d.* in 1890. But in August of that year an ukase was issued by the Board of Directors, raising the price by ten per cent.

It has been remarked by political economists that, under our system of chartered monopoly, the price of gas depends, not upon its cost of production, but

upon the directors' estimate of its indispensableness. All the safeguards of competition have necessarily disappeared in the amalgamation of the competitors, and our gas bill is a tyranny tempered only by fear of petroleum or alarm at the progress of the electric light. The recent addition of threepence per thousand feet to the rate charged by the Gas Light and Coke Company should serve, indeed, to bring home to the inhabitants of London what is their position in the matter.

The Gas Light and Coke Company is one of the largest industrial concerns in the world, having a paid-up capital of over ten millions sterling. It is the only metropolitan gas company north of the Thames, and supplies three-fourths of the population of London with their main source of artificial light, consuming in the process the almost incredible quantity of 37,000 *tons* of coal *per week*. Notwithstanding a shortening of hours, a rise in wages, an increase in the price of coal, a mild winter, and a most regrettable absence of fog, the dividend upon the ordinary stock for the previous half-year was at the rate of thirteen per cent. per annum. There was, however, not sufficient margin above the cost of production to satisfy a gas shareholder, and we accordingly have the recent ukase, which will levy an additional tribute of threepence per thousand feet on all the gas consumers in London north of the Thames.

The cost of production of the company's annual output of eighteen millions of thousand feet of gas, including all expenses whatsoever, at the present increased rates is, indeed, over two shillings and tenpence per thousand feet, but the proceeds of the sale of the residual products are equal to a deduction of nearly a shilling per thousand feet of gas sold, leaving the net cost of production at one and tenpence halfpenny. Five per cent. interest on the whole inflated capital of the company would amount to an additional sevenpence per thousand feet. The old price of two and sixpence per thousand would, therefore, still have covered the entire cost of production, with five per cent. interest on capital. Clearly, it is not "cost of production" that necessitates this new price of two and ninepence, with its additional tribute on London of 225,000*l.* per annum, but the cost of having private shareholders with a monopoly of our gas supply.

London has two other gas companies south of the Thames, which, together, are about one-third as great as this northern giant. These three companies are the result of a series of amalgamations which have enabled the twenty competing companies of 1855 finally to divide the metropolis into three districts, in each of which the most complete monopoly reigns. In gas supply, as in waterworks and in docks, competition has inevitably given place to combination, with the same inevitable results of monopoly, and the

spoliation of the public. London pays four and three-quarter millions sterling for gas which costs three and three-quarter millions to produce, with a capital outlay of fourteen millions, much of which has been squandered and wasted.

Parliament has long ago recognized that the gas supply of a great city cannot safely be entrusted to private competition, even when competition can be ensured. By the Metropolitan Gas Acts of 1876, obtained largely through the pertinacity of Mr. James Beal, L.C.C., provision is made for a partial limitation of the maximum dividend payable to the gas shareholders, which, by a prescribed sliding scale, is made to depend on the price of gas. The rise from two and sixpence to two and ninepence will, for instance, prevent the Gas Light and Coke Company from paying more than thirteen per cent. dividend. But whereas Parliament contemplated a standard dividend of ten per cent., and arranged the sliding scale of the price of gas with this object, the enormous rise in the receipts from the sale of residual products, which do not enter into the sliding scale, has greatly increased the shareholders' income. A rate for gas which would formerly have yielded eight or nine per cent., now yields thirteen. If Parliament could legitimately restrict the profit of the gas shareholders, it may do so again, as circumstances change, and the action of the Gas Light and Coke Company in raising the price appears to point to the need for a new arrangement.

When the Metropolitan Gas Acts were passed in 1876 London had no common municipal organization other than the Metropolitan Board of Works, and even in 1876 the Metropolitan Board of Works would hardly have been trusted with the administration of so great an industry as the gas supply. Since that date the "municipalization" of this business has proceeded elsewhere at a great rate.

Some persons, who advocate the public supply of water, hesitate to apply the principle of municipalization to their local gasworks. Few of these, however, can be aware of the rapidity with which the public supply of gas is increasing. Already one-half of the gas consumers in the kingdom burn gas which they themselves as citizens have made. The number of local authorities undertaking the gas supply has grown from 148 to 173 in six years, and hardly a year now passes without some accession to their number. The number of consumers supplied by capitalist undertakings has begun steadily to diminish. No public authority having once municipalized its gasworks has ever retraced its steps or reversed its action.

Excluding London, and also its neighbourhood (for the example of the metropolis apparently corrupts all the surrounding counties),[1] only one-third of the gas

[1] There are no public gasworks at all in Middlesex, Surrey, or the districts of Kent and Essex bordering on London,

consumers in the kingdom still burn gas supplied by private enterprise.

This "municipalization of the gas supply" has proved a very profitable undertaking for the public. Notwithstanding a general reduction in the price of gas, and an enormously increased consumption for street lighting, nearly all the public gasworks show an annual profit over and above the interest and sinking fund on the gas debt. Only half a dozen undertakings —and these in petty hamlets with ambitious local boards—show an actual loss. In a few other cases zeal for the consumer has caused the gas charges to be reduced to an amount temporarily insufficient to meet the sinking fund payments intended to extinguish the gas debt. Leeds, for instance, cut its rates too fine in 1888 with this result, but easily put things right again in the following year, and now makes an annual profit. Manchester, Birmingham, and Salford make, indeed, a clear annual surplus on their gasworks of forty to fifty thousand pounds each, which is devoted to various purposes of public utility. A hundred and fifty other Town Councils and "urban sanitary authorities" have a similar pleasant experience, though in a lesser degree.

The action of the Gas Light and Coke Company in raising their rates merely in order to maintain a

although this populous area maintains no fewer than forty-eight prosperous companies.

thirteen per cent. dividend, necessarily raises once more the question whether the time has not come when London would do well to imitate Manchester and Birmingham in buying out the gas companies. The present market value of the gas capital is about twenty-five millions sterling, for which an annual tribute of 1,000,000*l.* is paid to the shareholders. The London County Council would pay only 750,000*l.* interest on a corresponding addition to its stock, and a saving of a quarter of a million a year might thus fairly be reckoned on. This would reduce the gas bills by threepence per thousand, or, better still, yield a whole Peabody fund every year for the re-housing of London's poor.

But the gas companies possess no legal monopoly. In past years the most active rivalry existed between them, and competing companies possessed concurrent rights of supply over the same area. In 1876 they were brought to their knees by Parliament, and compelled to accept new limitations on their dividends by the Bill promoted by the City Corporation to enable it to establish a competing supply under public management. What Parliament has done once it can do again. Rates of dividend and prices of shares must therefore be dismissed as irrelevant considerations. There is no reason why the London County Council should buy up the companies' plant at more than its actual value to-day.

The financial gain of a municipal gas supply is, however, by no means its main attraction. It may, indeed, be doubted whether the citizens of Manchester are wise to charge an unnecessarily high price to themselves for their gas, and then spend this surplus in public works. For gas has become practically a necessary of life in a huge city, and any stoppage of its supply in the metropolis would cause a perfectly incalculable misery and pecuniary loss. The vagaries of the gas companies' repairing staff add appreciably to the cost of maintaining the paving of our streets. Over public services of this nature there ought, at least, to be public control. London cannot afford to leave its winter sun subject to the idiosyncrasies either of a Livesey or of a Burns, and must learn to insist that the aim and purpose of the huge gasometers which dominate all its borders is not to afford either dividends or wages, but light and heat and power to London's million households.

Nor need the London citizen fear that his municipalized gasworks will rapidly be made obsolete by petroleum or the electric light. Whatever, by the grace of the Standard Oil Company, may happen to the price of petroleum, the use of gas cannot fail to extend among our poorer citizens as their standard of living rises and their tenements become more decent. Whatever, by the ingenuity of electricians, may happen to the electric light, it is certain that for

many years to come the great majority of London's half a million houses will be unable to substitute it for gas. The sale of residuals, too, which has already reduced the cost of gas by one-third, may not improbably soon give us gas for nothing at all. But it is in the new fields for gas supply that the prospect of development is most hopeful. Fewer than one-half of London's households yet burn gas at all, not because they have a better light, but because their custom has hitherto been too poor and too troublesome to offer any attraction to a thirteen per cent. company. Our slums and alleys, and our common stairways, are as yet most imperfectly illuminated. Our wasteful kitchen fires are only just beginning to be replaced by gas cooking-stoves. Gas, as a convenient source of power in the greatest manufacturing city in the world, and the special home of the small workshop, is yet in its infancy. The future "Gas Committee" of the London County Council need not fear that it will be without scope for metropolitan improvements. When London supplies itself with light and heat and power, not for profit but for the public benefit, we shall really have done much towards that municipalization of the sun and the moon which seemed to a Lancashire delegate at the Liverpool Trade Union Congress the climax of fantastic absurdity.

CHAPTER VI.

LONDON'S MARKET LORDS.

During the Session of 1890 the House of Lords, which rallied in defence of the late Duke of Bedford's vested interest in the bolts and bars of Bloomsbury, did not forget that his Grace was also the owner of Covent Garden Market. The Lords accordingly struck out the clause in the Bill of the London County Council, which would have empowered it to inquire into the metropolitan market accommodation. No mere County Council can be suffered even to look upon the strawberry leaves of the great house of Russell.

It may, however, well be that the House of Lords had another reason, in its defence of individual liberty, for drawing the line at markets. It so happens that a Unionist duke, a Unionist millionaire M.P., and the specially Unionist City Corporation, hold in their grasp practically the whole market accommodation of the greatest city in the world, and levy a gross annual revenue of at least a quarter of a

million sterling upon its daily food. These are some of the facts which, on a mere statement by the City Corporation that all the requisite information was already available, the House of Lords Committee refused to permit the London County Council to investigate.

For markets, London depends on two private monopolists and two sectional and unrepresentative public authorities, feebly supplemented by the abortive efforts of two philanthropists, and by the squalid and inconvenient "street markets" of the London poor. One of the early acts of the restored Charles II. was to grant to the fourth Earl of Bedford permission to establish a market in the old garden of the Convent of Westminster, near the fields known as the "Seven" or "Long" Acres. From this market, through which now pass all London's flowers and fruit, and nearly all its green vegetables, the Duke of Bedford derives a gross revenue, as stated by his agent, of 25,300*l.* per annum, out of which 10,116*l.* is laid out in market expenses. The accommodation is far from adequate, and, what *Punch* calls "Mud-salad Market," stretches out into all the neighbourhood. When the heavily-laden waggons three times a week creep into London in the grey morning, many of them find themselves compelled to stand in long lines down the streets round the Duke's narrow market square, and upon every one of these

waggons, for which the Duke has provided no market convenience whatever, a Ducal toll is levied. No farthing of that toll will he even contribute towards the cost of clearing away the inevitable dirt and garbage of this open-air market under an English sky. The ratepayers of the Strand have the pleasure of paying for the paving, scavenging, and lighting, and the ratepayers of London for the policeing and draining of the overflow market which swells the Ducal revenue. Nor is any provision made by the Duke for the decent housing of the porters who earn him his market income. The whole market population, forced by the early hours to live near their work, crowd the neighbouring alleys of Drury Lane, and make of the long obsolete market of "Clare," now a rookery of slums, one of those metropolitan "Connaughts" whose rents are the puzzle of the political economist and the philanthropist's sad despair.

Twenty-one years after the foundation of Covent Garden Market, the same generous monarch gave, to another lucky courtier, permission to hold a market in the fields of the "Spital" of St. Mary outside Bishopsgate. Spitalfields Market, a humbler rival of Covent Garden, is now the joint property of Sir Julian Goldsmid, M.P., and the Scott family. The gross tolls amount to about 18,000*l.* a year; but they are leased by their aristocratic owners for a net rental

of 5,000*l.* per annum. Practically the whole of the conveniences of this market, such as they are, have been provided by the lessee out of the profits of his lease.

Now, what Charles the Second gave by his charters was merely the permission to hold a market. But it had very early become a settled principle of the common law that such a grant implies the right to prohibit any competing market within about seven miles' radius. The Duke of Bedford does not, it is understood, insist upon any such monopoly rights; but the owners of Spitalfields Market are less generous, and only a few years ago they successfully prohibited (in the leading case of Horner *v.* the Great Eastern Railway Company) the establishment of a market in the town of West Ham, now a borough of over 200,000 population, and distant over three miles from the imperilled monopoly. The whole million of inhabitants who crowd the Inferno of London's East End are absolutely dependent for market accommodation upon the good pleasure of the member for South St. Pancras "and the Scott Family"; and by a curious economic paradox, it pays these noble proprietors better to prevent a rival market than to establish one.

London's main potato market belongs, oddly enough, to the Vestry of St. Saviour's, Southwark, a tiny parish with under 30,000 inhabitants, where the rates are reduced (and the rents thereby raised!) by a tribute

upon London of over 7000*l.* a year, this being the net annual surplus of the Borough Market finances. Travellers by the South Eastern Railway may descry the vegetable-heaps of this petty market overflowing into the very churchyard where Kit Marlowe lies buried, and may then reflect, in eating their next meal, on the mysterious economic dispensation which enables the owners and occupiers of the few acres of this Southwark parish virtually to levy a hidden toll upon every potato consumed in the capital of the world.

The London Riverside Fish Company (Limited) has an abortive attempt at a fish market at Shadwell; and the Great Northern Railway Company runs a potato "depôt" at King's Cross. The Whitechapel and Cumberland (Osnaburgh Street) Hay Markets are dwindling remnants; Oxford Market, on Lord Portman's estate, has almost disappeared; whilst Newport Market and Clare Market are little more than squalid historical relics.

Many other "markets" in London have gradually disappeared. In the City there were Eastcheap, "Westcheap" (Cheapside), Bartholomew, Queenhithe, the "Stocks," the Fleet, Newgate, Honey Lane, and others. In other parts of London, the "Haymarket," Mayfair, Hungerford, Mortimer, and the Bloomsbury Manorial Market are instances.

But the largest market owner is the Corporation of

the City of London, the one square mile in the midst of London's 120 square miles, which owns and manages practically all the market accommodation for the cattle, meat, poultry, and fish of four millions of people, not to mention such unconsidered trifles as hay and straw. From its eight markets the City levies about 217,000*l.* annually, and manages to spend 95,000*l.* on market expenses, as well as 96,000*l.* interest on market debt. It was mainly in defence of its Billingsgate Fish Market that the City incited the House of Lords Committee to withstand the impertinent curiosity of the London County Council, and it cannot, therefore, wonder that dark stories float around of "fish rings," influential in Civic Councils; of good fish occasionally destroyed, like the spices of the Dutch, in order to keep up the price of the rest; and of hidden malignancy, which has rendered abortive the efforts of the Baroness Burdett Coutts to establish Columbia Market for the Bethnal Green poor, and of Mr. Plimsoll to create a South London Fish Market at the Elephant and Castle.

There is positively no "market authority" for the metropolis, and accordingly no adequate regulation even of such markets as it possesses. It must seem incredible to the citizens of the smallest municipal borough—it must sound preposterous in the ears of Glasgow or of Manchester, that London has, in the most choleraic summer, absolutely no power to regulate

its fruit supply, or to say on what days and at what hours its citizens may receive fresh vegetables. What London most needs is indeed the creation of such a central market authority, which can scarcely be other than the County Council. The sectional jealousies and private interests which now hinder the growth of local fish markets, stop the expansion of the Borough Market, cramp Covent Garden, and prohibit the establishment of new East End markets, must clearly be superseded, as in the provincial municipalities, by the central control of a representative public body. The huge metropolis needs, moreover, as at Paris, local distributing markets, in addition to central wholesale depôts. Market reform is one of the most urgent tasks of London's new administrative body. But up to the present it has not even been permitted to see what has to be done in the matter.

STATISTICS OF LONDON'S MARKETS.

(Summarized from the evidence in First Report of Royal Commission on Market Rights and Tolls, Vol. II., C.—5550-1. Price 3s. 4d.)

Market.	Owner.	Estimated Capital Outlay (including Land).	Annual Receipts.	Annual Expenditure. On Markets.	Annual Expenditure. Intrst. on Debt.
		£	£	£	£
London Central Meat, &c. (Opened 1875)	City Corporation	1,381,000	82,952	23,848	45,2 3
London Central Fish, &c. (Opened 1886)	Do.	390,000	6,006	3,905	13,330
Farringdon	Do.	150,000	2,099	1,502	...
Smithfield Hay	Do.	...	195	64	...
Metropolitan Cattle (Islington)	Do.	504,842	32,472	21 598	16,842
Leadenhall	Do.	150,400	7,768	2,806	3,552
Billingsgate	Do.	448,250	27,473	10,817	9,405
Foreign Cattle (Deptford) (Opened 1869)	Do.	351,500	58,801	30,541	7 863
Total,	City Markets... £	3,378,992	217,766	94,881	96 224
Borough	Parochial Trustees (St. Saviour's, Southwark)	8,000	11,438	4,171	...
Total,	Public Markets, £	3,386,992	229,204	99,055	96,224
Covent Garden (1661) ...	Duke of Bedford	227,000*	25,900	10,116	...
Spitalfields (1682) ...	Sir Julian Goldsmid, M.P., & the Scott family: leased to Mr. Robert Horner at £5,000 a year	?	18,000†	5,500	...
Shadwell Fish (Opened 1885)	London Riverside Fish Market Company, Limited	87,220	2,000	2,000	...
Columbia	Baroness Burdett-Coutts	?	?	?	...
South London	Samuel Plimsoll	?	?	?	...
	£	3,701 212	274,504	116,671	96,224

* As estimated by the Duke's Agent, excluding the value of the land.
† As estimated by the Lessee, including the increase derived from enlargement, &c.

CHAPTER VII.

MONOPOLY AT THE DOCKS.

It is related of James the First that, one day quarrelling with the Lord Mayor, he threatened to remove the Court to Oxford. "Provided only your Majesty leave us the Thames," cleverly replied the then defender of popular liberties. The ordinary London citizen can hardly have escaped, during the past few years, occasional qualms of fear lest the Thames should virtually be taken away from him by the constant strife and mismanagement which he has learnt to connect with the London dock-labourer and the London docks. Confidence is a tender plant, and what, he thinks, will become of the trade of London if the greatest port in the world gets, among shipowners, an evil reputation for unpredictable labour troubles, delays, uncertainty, and needless demurrage?

No one will to-day have any sympathy with the position which Mr. Norwood took up during the Great Dock Strike of 1889. The condition of the dock-labourer had then long been a disgrace to his employers

and a scandal to the metropolis. Public opinion has now declared, once for all, definitely enough against the idea that losses of particular capitalists are to be made up by grinding the faces of the poor, or that the fierce competition of starving men is any excuse for paying less than a "moral minimum" of wages. The dock directors got their lesson, and the Great Dock Strike became, in a sense, the Hegira of unskilled labour.[1]

During the years which have elapsed, the affairs of the Dockers' Union have been, on the whole, managed with considerable statesmanship. Those who best know the docker report an almost incredible improvement in the *morale* of this very residuum of the labour market, a rise in his "standard of comfort," and a development of "social consciousness," which are the best of all testimonies to the character and efficiency of the labours of those latter-day prophets, Messrs. Burns, Mann, and Tillett.

But the Great Dock Strike led to but a Pyrrhic victory, and by the winter of 1890 the dockers had again lost nearly all the power of self-defence which they then seemed to have gained. The decision to restrict the entrance of new members into their Union, taken in conjunction with the ordinary Unionist rule not to work with non-Unionists, was interpreted to

[1] "The Story of the Dockers' Strike," by H. Ll. Smith and Vaughan Nash. (London: Fisher Unwin, 1s.)

indicate an intention of forming a close corporation or guild, to the detriment of outside labour, and the danger of London trade. It was, however, soon found impossible to carry out this rule. No one, of course, can deny the theoretical right of any body of men, be they capitalists or labourers, to form what combinations they please for their own advantage; and it ill becomes our barristers, solicitors, surgeons, physicians, stockbrokers, underwriters, surveyors, architects, actuaries, accountants, or members of City companies, to complain that the humble dock labourer is at last following the example which they have so sedulously set him. But although these latter classes, no less than humbler Trade Unions, have often forgotten it, the moral right of any body of workers to combine for its own pecuniary advantage is limited by the paramount right of society to have its business carried on in the best possible way. The vague and somewhat Utopian plan of working the docks as a co-operative society, composed jointly of dockers, managers, shipowners, and the present shareholders, is open to the same objection in principle as a capitalist dock monopoly or a Trades Union dock tyranny. After all, it is about the management of the Port of London that these discussions are taking place, and the Port of London must obviously be governed in the interest neither of the shipowners nor of the shareholders, neither of the dockers nor of the directors, nor yet of

any combination of these, but in the interest of the great community which has grown up around it, and made it what it is. The Port of London is by far the most valuable item in London's magnificent heritage, and is not to be lightly abandoned to the unrestrained indiscretion either of a Norwood or a Tom Mann.

London occupies, at present, an almost unique position among the great dock ports of the world, in having absolutely no public control over its dock accommodation. With the blind trust in competition, which London's chronic lack of local government has everywhere fostered, we have allowed the whole of the riverside accommodation of the Port of London to pass uncontrolled into private hands. The bulk of the shipping trade of the capital of the Empire lies at the mercy of an unregulated crowd of private wharfingers and the boards of directors of four gigantic dock companies. Liverpool, Glasgow, Dublin, Swansea, and Bristol have, at any rate, their docks free from the interested administration of the private capitalist. The Clyde, the Mersey, the Tyne are controlled by representative public authorities; the Thames, almost alone among our great commercial rivers, is abandoned to anarchy, tempered only by the casual vagaries of the remarkable body know as the Thames Conservancy Board.

What the result has been is well known. A perfectly reckless expenditure of capital by the competing

dock companies has endowed the metropolis with a succession of enormous docks, each constructed, not because it was wanted nor where it was wanted, but on the principle of "beggar my neighbour," merely in order to outbid its latest rival. The total cost of London's docks has been over twenty millions sterling, and it has often been computed that practically half of this vast expenditure has been virtually wasted. In the vain endeavour to earn interest on this swollen capital, the various dock companies for years indulged in an insensate, and almost indecent competition, always, however, agreeing to take the very utmost advantage of the unorganized starving "reserve army" of East End labour, and carefully to abstain from doing anything to improve its condition. Meanwhile, by a system of hidden rebates and discounts, the great shipping houses which control the dock directorates managed to intercept most of the advantages of the growth of London's trade, and the condition of the typical "widow and orphan" among the dock shareholders became bad indeed. The East and West India Dock Company, owning one-third of the dock capital, had indeed in 1888 virtually to suspend payment, and then the change came. The two main competitors formed a "Joint Committee," controlling seventeen-twentieths of the dock accommodation of the metropolis, and easily concluded working agreements with the rest. London has given up every safeguard

of its commercial interests in order to get competition, and now it has not even got competition. One small Board practically settles dock rates, and two small committees dock wages, for the whole of London's dock accommodation.

STATISTICS AS TO THE LONDON DOCKS.

Dock Companies.	Capital.			Paying percent	Income to Owners.	
Joint Committee	£350,000	£350,000	Debentures	3½	£12,250	£12,250
London and St. Katharine	1,037,650		,,	4	41,506	
	2,178,135		,, Stock	4	87,125	
	1,200,000		Preference ,,	4½	54,000	
	420,600		,, ,,	4½	18,900	
	5,756,697		Ordinary ,,	1¼	71,958	
		10,592,491				273,189
East and West India	616,845		Mortgage Loans	4	24,673	
	154,567		Deferred Stock ...	...	...	
	530,000		Debenture Bonds	4	21,200	
	2,009,439		,, Stock	4	80,377	
	2,385,500		Ordinary ,,	...	...	
		5,696,351				126,450
Millwall	443,457		Debenture Stock	5	22,172	
	115,850		Preference ,,	5	5,792	
	250,000		,, ,,	4½	11,250	
	490,000		,, ,,	5	24,500	
	599,700		Ordinary ,,	3	17,991	
	24,209		Debenture ,, (Average)	4	968	
		1,923,216				82,681
Surrey Commercial	140,000		Debenture Stock	4½	6,300	
	348,000		Preference ,,	5	17,400	
	154,000		,, ,,	5	7,700	
	964,814		Ordinary ,,	5	48,240	
		1,606,814				79,640
		£20,168,872				£574,510

(Compiled from "Burdett's Official Intelligence," 1891. The East and West India Dock Company, in 1888, suspended for 1½ years the payment of their interest, and the arrears have now been funded.)

There can be little doubt that London, in this matter of dock administration, as in other things, will have to learn a lesson from the provincial municipalities.

The docks of Liverpool are celebrated wherever ships float, but the docks of Liverpool are administered in the public interest by the Mersey Docks and Harbour Board,[2] a representative public authority whose stock ranks not far below Consols. Its capital is over seventeen million pounds, or much more than the present market value of the whole of the London docks, and its annual revenue of nearly a million and a half more than suffices to pay all working expenses, interest, and sinking fund.[3] Bristol found it intolerable that its docks should be in private ownership, and has since 1884, expended about a million and a

[2] The docks are all constructed on property belonging to the Mersey Docks and Harbour Board, in whom is vested the dock estate, which is managed solely for the benefit of the public. To secure this result the Board consists of twenty-eight members, of whom twenty-four are chosen by parties who pay at least 10*l.* each a year dock dues, and who must themselves pay 25*l.* each of such dues. The other four members are nominated by the Conservators of the Mersey, that is, by the First Lord of the Admiralty, the Chancellor of the Duchy of Lancaster, and the Chief Commissioner of Woods and Forests for the time being. There were in 1858, 1451 dock-ratepayers on the register. (Barnes's "Liverpool in 1859," p. 79; McCulloch's "Commercial Dictionary," p. 529.)

[3] There is already a public authority for the River Thames. The Thames Conservancy Board, formed by 21 and 22 Vic., c. 104, and 27 and 28 Vic., c. 113, has jurisdiction over the Thames from Cricklade to Yantlet Creek, and consists of 23 members nominated by the Corporation of London, the Trinity House, the Lord High Admiral, the Privy Council, the Board of Trade, and the owners of ships, river steamers, lighters, tugs, docks, and wharves. One party only seems unrepresented on this queerly-composed body, i.e., the people of London. It raised, in 1886-7, 85,530*l.*; spent 75,850*l.*; and owed 102,400*l.* (H.C., 431, 1889, p. 39.)

quarter sterling in buying them up.[4] Hull, Cardiff, and Southampton are indeed the only great English ports outside London where there are private dock companies; and in each of these cases special circumstances mitigate the inconveniences of capitalist management. The great Continental ports invariably administer their docks as an obvious public function; and our magnificent colonial harbours are equally under public management.

THE NUMBER AND GRADES OF MEN EMPLOYED (OUT-DOOR STAFF) BY EACH OF THE THREE EAST END DOCK COMPANIES ARE AS FOLLOWS:—

	London & St. Katharine Docks.	East & West India Docks.	Millwall Docks.	Total.
Foremen, &c.	400	457	300	
Police	100	114		
Artisans and Permanent Labourers	570	247		
Total regularly employed ...	1,070	818	300	2,188
Irregulars: preferred for employment ("Ticket" men or "Royals")	450	700	500	
Others (maximum employed) ...	3,250	1,655		
Total of irregularly employed...	3,700	2,355	800	6,855
Maximum employed	4,770	3,173	*1,100*	*9,043*
Minimum employed	2,170	1,418	*300*	*3,888*
Average employed	3,270	2,129	*500*	*5,899*

(Compiled from C. Booth's "Life and Labour in East London," p. 190, the figures in italics being added as conjectural estimates. To these numbers must be added the men employed at the Surrey Commercial Docks, and the numerous private wharves.)

[4] See The Fabian Tracts, No, 18, "Facts for Bristol" (The Fabian Society, 276, Strand, W.C.)

A definite proposal to "municipalize" the London docks was made by the Lord Mayor of 1889, and it may be hoped that the project has not been abandoned. The City Corporation has an opportunity of rendering a great public service by promoting a Bill to carry out this idea. The London County Council would soon become as weary a Titan as the House of Commons if it had to undertake the burden of all London's collective concerns, and the example of Liverpool, in forming a special Dock Board, appears much more worthy of imitation. It would not be difficult to formulate a constitution for such a body, under which both the people of London as a whole, and the special commercial interests involved, could be adequately represented. The spirit of the age, no less than equity and prudence, would demand that a proper number of representatives of the Dockers' Union should sit on the Board, for even under public management disputes about wages would recur. These disputes would, however, no longer take the form of struggles with the capitalist for the lion's share of the plunder of the public, but would be obviously recognized as merely the claims of one set of workers to receive out of the common product of the community's toil a larger share for their own particular class. Under the management of some such public body as a Dock Trust neither the shipowners nor the dockers would get all they would like to get out of the docks,

but the common interests of the whole metropolis would no longer be jeopardized by their struggles, and even the dock shareholder would enjoy the unwonted luxury of a regular though small interest from his Dock Trust Bonds.

A single dock authority would, moreover, be enabled to organize and redistribute its dock labour wherever it might, for the moment, be required, and the demoralizing scramble for work at the dock gates might easily be replaced by the formation of a permanent staff of dock workers, as well disciplined and of as high a character as our railway servants. This task has, up to the present, been neglected, even at Liverpool, where the dockers are employed by the shipowners. The Mersey Docks and Harbour Board is, indeed, administered by a ring of capitalists, mainly in the capitalist interest. But the London Dock Board must inevitably be a more democratic affair, and would at once have to undertake the regular organization of the dock labour.

The careless individualism which allowed the control of London's riverside accommodation to pass uncontrolled into private hands has brought its own punishment. "The Docks" have as their product the casual dock-labourer of the East End; and the persistent refusal of the gigantic dock companies to take any steps to organize this labour or to systematize its employment is the despair of every East End philan-

thropist. "The Docks" offer a powerful attraction to the shiftless casual. No questions are asked; no "character" is needed; habits of decent regular work are rather in the way than otherwise. The ever-present chance of a job of this kind furnishes a perpetual addition of strength to the temptations whereby industrial character is lost. No public body could continue to permit this potent source of social demoralization. In the "municipalization" of the docks lies, indeed, the main hope for the regeneration of the East End.

CHAPTER VIII.

LONDON'S TRAMWAYS.

THE 122 miles of tramways in London are in the hands of one large and ten smaller companies, whose aggregate capital, swollen, as usual, by legal and Parliamentary expenses, amounts, as stated in the table below, to three and a half millions sterling. Their receipts exceed the working expenses by about £240,000 annually, or more than 6½ per cent. on their nominal capital, which goes to maintain the body of eight or ten thousand share and debenture-holders, who are at present permitted to derive a tribute from London's need of locomotive facilities. The shareholders of the largest company, owning one-third of the whole of the lines (North Metropolitan), get a dividend of between 9 and 10 per cent. per annum on their shares.

How this dividend is obtained is known to all men. The 4000 tramway drivers, conductors, horsekeepers and labourers, working London's 940 licensed tramcars, are among the hardest worked, most cruelly

treated, and worst paid of London's wage-slaves. Sixteen hours work for 4*s.* wage is no uncommon day's record; whilst Sundays or other holidays are known to them only as times of extra traffic. Nor is it possible to remedy this "white slavery" whilst the tramways remain in private hands. Mrs. Reaney and other well-known philanthropists have in vain used every mode of appeal to the consciences of the shareholders. The pulpit and the press equally fail to induce them to forego even a quarter per cent. of dividend in order to improve the condition of the servants by whose toil they live.

PARTICULARS FOR YEAR ENDED 30th JUNE, 1890.
(House of Commons Return, No. 282 of 1890).

Name of Company with date of first Act.	Length open.		Paid-up Capital.	Total Receipts.	Total Expenses.	Surplus.
	Mi.	Ch.	£	£	£	£
North Metropolitan (1869) ...	41	58	1,277,479	405,292	294,432	110,860
London (1869)	21	58	660,000	300,220	223,702	76,518
London Street (1870)	13	40	379,500	126,142	101 081	25,361
South London (1879)	12	72	366,960	74,063	63,647	10,416
West Metropolitan (1873) ...	8	59	202,500	26,917	21,640	5,277
North London (1879)	9	73	183,166	17,250	16,609	641
Southwark and Deptford (1879)	4	72	162,389	21,474	19,745	4,729
London Southern (1882) ...	5	60	112,500	14,746	12,617	2,129
Highgate Hill (1882)	—	57	[no return]	—	—	—
Harrow Rd. Paddington (1886)	1	61	75,000	9,526	7,852	1,674
Woolwich and South East London (1880) ...	4	77	72,220	14,968	11,920	3,048
	126	47	3,492,014	1,013,898	773,245	240,653

The formation of a Tramway Workers Union, and the approach of the time when the County Council will begin to negotiate with the companies have now, indeed, caused a few nominal concessions to be made.

But these concessions, although artfully presented for the satisfaction of the easily-quieted shareholding conscience, do not greatly reduce the hours or increase the wages of the great body of tramway men. Nor is there any hope of redress by voluntary or Trade Union action.

The National Conference of Tramway Workers marks indeed a distinct advance in the organization of this branch of unskilled labour. It is, however, significant of the spirit of the "New Unionism" that this "nationalization" of the Trade Union is, in the present case, regarded rather as an instrument for the education of town councillors and Parliamentary candidates than as the weapon of a strike. A universal tramway strike could, indeed, be nothing but the last outcome of despair—the English analogue of the Hindoo creditor voluntarily starving himself on his debtor's doorstep. Long as are the hours of the tramway conductor, his normal pay of three or four shillings a day would be sufficient to attract a crowd of what the Australian capitalist Press euphemistically terms "freemen," whose "freedom" to work excessive hours coerces the existing staff to do the same. London and the decaying rural villages, the docks and the casual ward, always contain enough "out-of-works" and restless spirits who could be bribed on to the lines even for long hours. Few of them would be able to keep up a steady six-

teen hours day for any length of time, but meanwhile the back of the strike would have been fatally broken. In the case of absolutely unskilled employment, proficiency in which can be acquired in one trial trip, the old weapon of the Trade Unionist breaks in his hand.

In the case of the tramway servant the main instrument of the New Unionist is equally useless. Mrs. Besant won the humble victory of the match girls through the power of public sympathy, through a wave of the "passion of pity" that swept for a moment over all classes alike. The dockers triumphed under Messrs. Burns, Tillett and Mann, because public opinion in the blackleg's own class made him a moral leper, and the Australians bribed him to virtue with a shilling a day. In these cases no obvious inconvenience was caused to the great mass of the people. Matches were still to be bought for next to nothing in the streets while Bryant and May's girls were "at play." Tea did not rise in price, sugar did not disappear from the grocer's shops, the sale of rum continued to excite Mr. Goschen's pleased surprise throughout the whole cloudless three months of John Burns's stirring orations on Tower Hill. But the stoppage of London's tramway service would mean the daily discomfort of millions. The huge cities of workmen's dwellings, which have lately grown up all round

London, depend largely for very existence on their tramway communications with the centre. The dense masses, who morning and evening throng the cars of the City Road and the Elephant and Castle, or the great arteries of traffic penetrating into Peckham or Brixton, would be hard put to it to reach their employment in time if the trams were stopped by the pickets. The millions to whom on Sundays the tramway furnishes a means of escape from the grimy city would be equally embittered. The spirit of solidarity is now strong enough among the workers to ensure a formal support of a tram strike by every Trade Union in the kingdom. But it would not be in human nature cordially to endure, day after day, the very serious trouble which a general "tie up" of the London tramways must inevitably create. In such circumstances even the strongest Union would be powerless.

Yet the grievances of the tramway servants are precisely of that specific and definite character which we all, nowadays, regard as justifying even the *ultima ratio* of the industrial conflict. Whatever we think of the Eight Hours Day, no one—not even a tramway shareholder—can be found to defend a Sixteen Hours Day. Magistrate after magistrate has denounced from the Bench the grossly tyrannical conditions of the contract of service into which these "free citizens" enter. The fines and other arbitrary ex-

actions to which they "voluntarily" submit are only saved from absolute illegality by the imperfect drafting of the Truck Act. The persistent efforts of philanthropists, the repeated attacks of the pulpit and the press, have failed to produce any appreciable effect on the shareholders' consciences. The man who can expect the "moralization," in their business capacity, of a board of tramway directors, must now, indeed, seem an optimistic visionary beside whom the authors of "Looking Backward" or the "Fabian Essays" are but sober prophets of an early day.

It is not that the tramway industry pays badly. During the last twenty years more and more capital has been steadily attracted to this branch of locomotion, and the mileage open has, since 1880, nearly trebled. The statistics quoted on the subject are, as is usual with round numbers, somewhat exaggerated, but the Board of Trade returns for 1889 show total receipts, for 949 miles of line, of 2,980,224*l.*, against working expenses of 2,266,681*l.*, leaving a net profit on the year's working of 713,543*l.* This amounts to an average of over five and a quarter per cent. on the entire capital, or an average dividend on the share capital of about six per cent. This average marks, however, some very big dividends in the larger companies, off-set by lower rates in other cases where the stock has been

unduly "watered," or otherwise manipulated. The most important company, and in many ways the worst offender of them all, is the North Metropolitan, which owns one-third of the London mileage, and serves the greater part of the metropolis north of the Thames. This Leviathan, with its 350 licensed cars, has for years paid a dividend of between 9 and 10 per cent. The remainder of London's tramway communication is divided among ten smaller companies, who make, notwithstanding their disputes and unnecessary divisions, an average profit of about 5 per cent on their entire nominal capital.

The fact is that the long hours and general ill-treatment in the tramway service are really a part of its character as a new industry. The coal-miners, in the early development of England's main source of mineral wealth, suffered quite as many grievances as the tramway conductors. The horrors of the white slavery which made the fortunes of Lancashire have become terribly familiar to us. The reckless sacrifice of seamen's lives that marked the first expansion of the world's commerce is less widely known, though no less real. In all these cases we have slowly built up a wall of protection for the weak against the worst excesses of the strong. By a series of reactions of public opinion upon law and then of law upon public opinion, of Trade Unions securing legislative help

and that legislation further helping Trade Union action, the coal-hewers and the textile operatives have been raised from their degradation and placed among the very aristocracy of labour. In other trades, where the "Labour Code" is less effective, the social improvement has been less marked. Especially is this backwardness noticeable in the industries which are still relatively in an early stage of development, as is the case also in those Continental countries which are only just beginning to imitate our legislative action. The worst horrors of the so-called "sweating system" in the tailoring and some other trades are the accompaniment of their slow passage from the "small" to the "great" industry. The recent colliery strikes in Belgium revealed a condition of unrestrained competitive horrors only to be matched in Zola's "Germinal" or the scarcely less telling pages of the Royal Commissions prior to the Mines Regulation Act. The tramway service in 1891 is still in its infancy, and is accordingly as completely unregulated by law as Lancashire was before the Factory Acts, or Durham before 1842.

It is, however, probable that the London Tramways will pass almost directly into the stage of "municipalization," without lingering in that of mere public regulation. Over thirty muncipalities in Great Britain already own the lines within their respective districts, and public opinion is running fast in this direction.

The London County Council can hardly fail to take advantage of the opportunities afforded by the expiration of the statutory concessions to the companies.

London, indeed, will soon have an unparalleled opportunity in the matter. The tramway companies only received their concessions on condition that the local authority should have power to take over the whole concern at the expiration of twenty-one years from the time when the promoters were empowered to construct the line in each case, upon bare payment of the actual value of the stock and plant (33 and 34 Vic. cap. 78, sec. 43). The first company completes this period, as regards part of its lines, in August 1891. Only a portion of the lines could be compulsorily taken over at a time, as the twenty-one years' period expires at different dates for different lengths of line. But the County Council, first imitating Huddersfield in obtaining statutory power to work its own lines, could easily negotiate with the companies for a complete transfer.[1]

Public ownership, even without public administration, would be an immense gain. Most of the municipalities lease out the lines to exploiting companies; but they can put what conditions they please in the leases; and if the tram servants of Liverpool,

[1] A majority of the Council has now voted in favour of taking over the first piece of line, but the minority, by leaving the room, was able in June, 1891, to bring the number voting below the necessary two-thirds of the whole Council.

Glasgow or Birmingham are oppressed, the remedy is in the hands of the municipal electors.

The Glasgow Town Council, for instance, inserted the following stipulation in its last lease :—

"Only such persons as can satisfy the Magistrates' Committee that they have a thorough knowledge of the City and the duties of a car conductor, shall be licensed as such. The working day of conductors and drivers shall not exceed an average of ten hours. The conductors of cars shall be provided with proper uniform, consisting of tunic, trousers, and cap, and no conductor shall be permitted to be on duty without uniform. A uniform great-coat shall be provided for the winter months. No conductor, driver, or other officer shall be permitted on a car unless his clothing is in good order and his whole person clean and tidy. The lessees shall provide proper sanitary conveniences for the drivers and conductors at places where these are requisite, as may be agreed on with the Corporation."

This example has been followed across the Atlantic by the Municipality of Toronto (Upper Canada). The London County Council, moreover, made a Ten Hours Day the condition of its support of a proposed tramway extension in 1891.

But direct public administration goes a step further. The corporation rate does not shrink from the direct organization of labour, and gives no opportunity to the middleman. The Huddersfield Town Council obtained statutory power in 1882 (45 and 46 Vic. c. 236) to work its own tramways; and has done so with marked success. The Liverpool Corporation asked for similar statutory power in 1889, but has not yet taken over its lines. The London County Council

already owns and works a (free) steam-ferry at Woolwich, served by two steamboats lit by electricity.

The advantages to the worker in direct public administration are strikingly shown in the Huddersfield case. Here the hours of labour have been reduced to eight per day, without increase of fares or deficit on the working. Full interest and sinking fund is paid on the cost of the line, and a profit is made over and above these items.[2] The municipal

[2] Huddersfield Corporation Tramways Committee—Financial Report for six months ended 30th September, 1890 and 1889. (During both of these periods the drivers and conductors were employed on the Eight Hours System) :—

Expenditure, Six Months ended 30th September, 1890.	Revenue Account.	Expenditure, Corresponding Period last Year.
£ s. d.		£ s. d.
2117 8 2	... ... Locomotive Power	2073 5 2
638 18 1	... ... Traffic	605 16 1
976 11 7	... Maintenance of Ways and Works ...	689 12 6
1324 18 2	... ... Repairs to Engines and Cars	1136 6 1
261 6 10	... ... Management	359 5 4
250 0 0	... ... Rents, Rates, and Taxes	172 13 3
216 16 4	... ... Miscellaneous	125 8 5
5785 19 2	... ... Total	5162 6 10
2750 13 10	... ... Gross Profit	2772 14 3
8536 13 0	... ...Receipts...	7935 1 1
1778 11 8	Interest and Sinking Fund, 4½ per cent. on Loans	1558 11 2
880 0 0	... Depreciation, 2 per cent. on Capital ...	753 6 0
2658 11 8		2311 17 2
2750 13 10	... ... Gross Profit	2772 14 3
£92 2 2	... ... Balance Profit	460 17 1

Capital Account, £88,039. Depreciation Account, £3285. Loan Account, £84,000.

tramway conductor at Huddersfield gets, since 1888, 21*s.* per week of 48 hours; at Bradford, less than twenty miles off, a conductor in the service of the Bradford Tramway Company was found in March 1891, to be working regularly 115 hours per week for precisely the same wages.

Assuming that as much as 3,500,000*l.* had eventually to be paid to acquire the whole of the London lines, which exceeds the actual value of their plant and stock, the interest on this addition to the Council's debt would only be some 105,000*l.* a year, as compared with 240,000*l.* now paid to the share and bondholders, irrespective of the saving caused by unification of management of the eleven competing undertakings. This difference of 135,000*l.* represents fully a penny in the pound on the London rates. Placed at the disposal of the County Council it might mean, as at Huddersfield, a reduction of the hours of the labour of our "tram slaves" to a maximum of eight per day.

Here is one practical method by which the wage-earners, as municipal electors, can secure their ends by less barbarous methods than industrial war. Where industry is carried on, not for private profit, but for the public convenience, it is obviously for the collective public to determine the conditions of employment. A labour revolt against a town or county council elected by a labour vote is an obvious absurdity. In the final stage of industrial organiza-

tion the ballot-box logically replaces the strike, and "industrial peace," no longer tottering in the unstable equilibrium of the "labour war," rests at last "broad based upon the people's will." This we can at any rate secure for our tramway service if London will but deign to copy Huddersfield.

CHAPTER IX.

LONDON'S HOSPITALS.

LONDON'S sick are provided for by 11 great hospitals with medical schools; eight smaller general hospitals; 67 special hospitals (many of these unnecessary); 26 free dispensaries; 13 part-paying dispensaries; 34 "provident dispensaries"; 27 workhouse infirmaries and sick asylums; 44 poor law dispensaries; and eight public hospitals for infectious diseases.[1] These 238 separate institutions compete with one another for funds, for patients, for doctors, for nurses, and for students. They are distributed geographically over London without the least regard to local necessities; and hardly anywhere is there any co-operation among them. New institutions are constantly being started, often under very doubtful auspices; and many already existing are obviously maintained mainly as a means of liveli-

[1] See the memorandum on Metropolitan Medical Charities, published by the Charity Organization Society in 1889; and the evidence given before the House of Lords' Select Committee on Hospitals, 1890 and 1891.

hood for the staff. The number of officials employed is returned as 4,359.

The 238 "medical charities" are computed to enjoy an annual income of about 1,196,471*l.*, of which some 485,502*l.* comes from rates, at least 50,000*l.* from property (endowments), at least 100,000*l.* from legacies, about 50,000*l.* from the "Hospital Sunday Fund" and "Hospital Saturday Fund," probably 50,000*l.* from patients' payments, and some 300,000*l.* from subscriptions, donations, the proceeds of bazaars, concerts, "fairs," "fêtes," and all the thousand and one devices invented by officers at their wits' end for funds to maintain the 17,830 occupied beds (5729 remained empty last year from lack of money), the 122,047 in-patients (one in 40 of the population) and the 1,576,905 out-patients of the year. The total expenditure is estimated at 1,207,749*l*, or about 9*d.* in the pound on London's rateable value, and more than a third is already defrayed by rates. Few persons realize that we are rapidly municipalizing our hospitals.

"It is worthy of remark that during the last 20 years about 12,000 hospital beds have been provided by the Poor Law authorities for the sick poor of the metropolis, a number far larger than that of the total of all metropolitan hospitals put together."[2] These include 9,639 "occupied beds" in the Poor Law in-

[2] Report of Poor Law Inspector, p. 52 of Local Government Board Report, 1887-8, C.—5526.

firmaries and sick asylums, and 1820 in the hospitals for infectious diseases. The total in the "voluntary hospitals" is only 6415. Nor are these mainly or exclusively for paupers. By an order dated 7th July, 1887, admission is granted to *any* person affected with fever or small-pox whose removal is advised by any duly qualified practitioner.[3] Under this order the magnificent public hospitals of the Metropolitan Asylums Boards are, in times of epidemic, steadily becoming more and more generally used by Londoners. By Sec. 7 of the Diseases Prevention (Metropolis) Act, 1883, this is not deemed "parochial relief." The Metropolitan Asylums Board accordingly spent, in 1887, 303,640*l.*[4]

One in twelve of London's population will die in one of these institutions: this is the annual proportion of deaths in hospital to the total deaths. Probably four out of five of London's adult population use one or more of these so-called "medical charities" during their lives. Yet, except in the workhouse infirmaries and the hospitals of the Metropolitan Asylums Board, the public have at present absolutely no control over the establishment, the property, the expenditure, the management, or the extinction of any of these institutions. Only three of them render their accounts to

[3] Report of Poor Law Inspector, pp. li. and 9 of Local Government Board Report, 1887-8, C.—5526.
[4] p. 262 *ibid.*

any public authority. No public superintendence controls their jobbery: no public audit checks their waste. There is absolutely no general supervision, or even inspection, of these essentially public institutions.

Their property, amounting to at least 2,000,000*l.* of investments, and perhaps as much more in buildings and plant, is, except in a few instances, at the mercy of the governing body and trustees for the time being. The boards of directors or governors, although nominally elected by the subscribers, are practically co-opted or self-appointed. Most of the management really rests with the medical staff and the paid officials.

What London needs is the establishment either of a Hospitals Committee appointed by the County Council, or of a separately elected Hospitals Board, charged with the supervision, inspection, and audit of all London's medical charities, asylums, and public hospitals. Such a body could relieve the County Council of its burdensome care of lunatic asylums, and take the care of the poorer sick out of the demoralizing circle of the Poor Law. Systematic co-operation of existing institutions could be substituted for the present absurd competitive rivalry. Unnecessary hospitals could be amalgamated with others, and adequate provision made for each district. Ultimately we must insist on the supersession by public institutions of all "private venture" hospitals. London must systematically undertake the care of London's sick.

CHAPTER X.

A POOR LAW COUNCIL FOR LONDON.

THE establishment of a Poor Law Reform Association,[1] recalls the urgent necessity for the reform of London's Poor Law administration. The whole system of Poor Law relief needs, indeed, the careful attention of Liberal politicians. Wide schemes of more democratic provision for our poorer citizens are in the air, and Mr. John Morley's great speech at the Eighty Club dinner in November, 1889, shows how far this new outburst of social compunction has already travelled. But Poor Law Reform of this nature is a great and intricate question, and the special requirements of the metropolis, in the way of mere reorganization of administrative machinery, furnish a problem vast enough and urgent enough to demand separate treatment. London's main grievance in Poor Law matters has taken the political form of a demand for the equalization of the Poor Rate throughout the

[1] Secretary, G. de Montmorency, Hyde Vale, Greenwich, S.E. See also "The Reform of the Poor Law" (Fabian Society, 276, Strand, W.C.)

metropolis, and Mr. Pickersgill's Bill with this object has received the support of Mr. Stansfeld and the Liberal leaders. But the eccentric inequality of London's thirty Poor Rates is merely the outward and visible sign of a much more serious inward anarchy in the management of London's hundred thousand permanent paupers and two and a half millions sterling of annual public charity. It is inequitable and absurd that the ratepayers of Poplar or St. Luke's should pay a Poor Rate nearly twice as great as that in the City or St. Martin's-in-the-Fields, merely because London's poor live apart from London's rich, and sleep, moreover, in one parish whilst they work in another. An even greater scandal is the serious divergence between the thirty Boards of Guardians in their treatment of the paupers, and an almost inexplicable variation in the cost of maintenance.

In Whitechapel the aged and worthy poor are made as comfortable as the dreary conditions of a London workhouse will permit, whilst in another institution, not many miles off, every effort is apparently made to force upon the unhappy inmates a sense of the heinousness of their crime of poverty. At one or two of the twenty-five casual wards in the metropolis the inmates seem to enjoy, without payment, all the Bohemian freedom of a common lodging house, whereas others of these "Queen's Mansions" offer nothing but the stern discipline of a temporary prison. The

pauper who applies for outdoor relief is treated with the same agreeable variety. If he lives in Whitechapel or St. George's-in-the-East he will almost certainly be told to "come into the House." If he lives in Holborn or the City he stands an excellent chance of receiving what is virtually a "municipal pension" for destitution. The amount of that pension may vary, too, according to his parish, from half a crown to five and sixpence a week for a single man, or from four shillings to as much as fourteen for a family. If he falls sick he may chance to be treated in a workhouse infirmary, such as that of St. Pancras, with nursing and maintenance costing a pound a week, or he may have the ill-luck to belong to Mile End, where only one half this sum is lavished on him. If he enters the Holborn workhouse, and needs to be fed up with arrowroot, he is put off with an article costing eighteen shillings per hundredweight; but the more conscientious Union of St. George's-in-the-East provides the best St. Vincent arrowroot at seventy shillings per hundredweight. The dreary "idle room" at St. Olave's is lit with candles at a penny-farthing a pound; but Lewisham treats its paupers to candles at a shilling a pound.

The net result of all this diversity, of which an excellent account was given in Mr. Acworth's paper at the General Poor Law Conference in December, 1889, is, that London's paupers cost per head more

than double the average amount expended throughout England and Wales; and whereas the mean average cost per pauper has risen, in ten years, only by about five per cent., the cost of the London pauper has risen by over ten per cent. London is as recklessly extravagant in paupers as in police, and for similar reasons. Genuine local self-government has yet had no chance in either case.

London, in fact is, for Poor Law purposes, not a city, but a geographical expression. The metropolis of the British Empire possessed, indeed, until quite recently, for all its administrative purposes, nothing better than the organization of a rural parish, and matters were not at all mended by the fact that it had a great many of these. In 1855, a London was created for the special purpose of main drainage, and we have since gradually awaked to the fact that there is on the banks of the Thames not a congeries of rural parishes abutting on the only unreformed corporation, but a city of over four millions of people. In 1870, the existence of that city was recognized for educational purposes, and the London School Board was established. In 1888, Mr. Ritchie gave London a common municipal authority, but, misled, perhaps, by many of its parishes being still described as "in the fields," he endowed London's new Council with the powers, not of a municipality nor even of an "urban sanitary authority," but of a rural county. Poor

Law London has yet to be, and its creation offers the most pressing problem of Poor Law Reform.

Two feeble attempts at the unification of London for Poor Law purposes have resulted in the only Poor Law institutions common to the whole metropolis—the Metropolitan Asylums Board and the Common Poor Fund. The latter is a curious financial expedient, instituted in 1867 as a mere palliative of London's rating inequalities, and administered by the Local Government Board. About two-fifths of the cost of metropolitan poor relief is thrown into hotch-potch, and equitably distributed over the whole city. A further alleviation of the financial inequality was incidentally afforded by Mr. Goschen's reform of the Imperial aid to local finances. By the assignment of a definite share of Imperial taxes in place of grants in aid, London as a whole was a considerable loser (and hence the recent rise in rates), but the distribution of this new revenue among the London parishes was made in proportion to their indoor pauperism, and so mitigated the inequality of their poor rates.

But any unification of London's Poor Law administration requires an efficient central authority, and London's only common Poor Law authority is the Metropolitan Asylums Board. Now the Metropolitan Asylums Board is a unique constitutional absurdity, such as no other city but London would ever have

endured. It consists, not of representatives of the people of London, but of fifty-four delegates from Boards of Guardians with sixteen members nominated by the Local Government Board, and it includes no fewer than eighteen Justices of the Peace. It has indeed, all the electoral and most of the other vices of the late Metropolitan Board of Works, and by common consent is unfit to be entrusted with the enormously important duties of a metropolitan "Poor Law Council."

That "Poor Law Council" can, in fact, spring from nothing but exclusively popular election, as untrammelled as that of the London County Council and School Board. It might at once take over the administration of all Poor Law institutions, where unity of management would promply effect great improvements and economies. It would, of course, still remain subject to the needful supervision and control of the Local Government Board, but it might easily relieve that overgrown department of many of the petty details in which it now controls the London Boards of Guardians. These would, indeed, necessarily cease to exist as such, but no central authority could itself administer relief in the huge wilderness of the metropolis, and some kind of local committees or "district almoners" would be needed to inquire into cases, and apply the principles laid down by the Central Council. These district committees—whose duties would be more

analogous to those local committees of the Charity Organization Society than to those of the existing Boards of Guardians—might, if desired, be popularly elected, but there is much to be said for their appointment by the elected Poor Law Council, as the local school managers are now appointed by the London School Board. The best security for efficient democratic administration lies, not in the direct popular election of every public officer, but in concentrating responsibility in one elective authority, large enough and important enough to attract able administrators, and to secure the attention of the press. The colossal magnitude of London's public business imperatively calls for at least four such central Boards; and the statesman who will add a Poor Law Council and a Dock Trust to London's School Board and County Council, will have set the final seal to a work not less important than the great municipal regeneration of 1835.

Few persons in comfortable circumstances have any adequate idea of the extent to which the fell shadow of pauperism falls on the lives of the labouring masses. The misleading statistics of the Local Government Board, as to the paupers forming only one in thirty-nine of the population—a virtual fraud on the public which is a standing disgrace to the departmental statisticians — furnish an annual theme of rejoicing in the leading articles of the news-

paper which for half a generation was the most unscrupulous opponent of the New Poor Law. Neither the Local Government Board nor the *Times* ever tells the world that over three millions of separate individuals were driven to accept Poor Law relief during last year—one in ten of our wage-earners. The Local Government Board returns carefully conceal the fact that at least 25 per cent. of all persons over sixty-five years of age are paupers, and 40 per cent. of those over seventy.

The pauper's dole or the grim stillness of "the house" is, indeed, what our civilization allots to the majority of the lowest classes of its manual workers as soon as their labour is no longer worth hiring at the barest subsistence wage. When the Queen reviewed practically the whole population of London on her Jubilee, she may have reflected as the brilliant procession swept down Whitehall, that for one in every five of that applauding crowd a pauper's death was waiting. 22·3 per cent. of the deaths in 1888 in the richest city in the world took place in the workhouse or the public hospital, and to these must be added the deaths of outdoor paupers, of which there are no statistics. A further class of our fellow-citizens not in receipt of relief, suffer the last bitter mortification of a pauper funeral, so that it is computed that altogether at least a fourth of the population sink bankrupt, amid our annually growing national wealth, into pauper graves.

To anyone who knows the silent anguish of the long struggle of the respectable poor before the workhouse is reached, how the iron enters the soul in that desperate losing fight down the hill of poverty, what a sum of misery is here depicted. These men, our brothers, were not *born* paupers. They, too, had their entry into life, dark and unpromising it may have been, but (so kind is Nature even to her weakest products) never without hope and some youthful aspirations. Then comes the check, and the competitive world, cold as we have made it, quenches at last, after more or less soul-agony, both hope and aspirations, and our fellow man, once erect, is borne down by our pressure into a pauper's grave. And then we lay the flattering unction to our souls that he had his chance, and we see unmoved his fellows pass into that vicious circle in which poverty begets vice, and vice nourishes poverty, until Society relentlessly stamps them out as vermin.

It is a grim justification of the extension of the franchise that not until these men were given votes did we begin seriously to discover that the "New Poor Law" was a demoralizing institution. Now the danger is that the ground-swell of the "politics of the poor" may sweep away the safeguards of 1834. No competent inquirer desired to bring back the horrors of the old Poor Law; no one who has ever read the great Report of the Poor Law Commission would advocate entrusting parish councils with the grant of out-

door relief. But Parliamentary candidates are but human, and when they find among the London unemployed little anxiety about Tipperary, but much about the chances of avoiding "the house," it is to be feared that the reform of the Poor Law will get into zealous but incompetent hands. The experts must see to it in time; and it is therefore good that, under the auspices of Mr. Samuel Barnett and Mr. Brooke Lambert, a "Poor Law Reform Association," on democratic lines, is actually getting under weigh. Some kind of pension scheme for the aged; some means of completely separating our collective provision for the sick and infirm from the Poor Law system; a more humanizing nurture of the fifty thousand children to whom the State stands as parent; and some special provision for the technical training of the chronically unemployed unskilled labour class—all these are but the logical completion of the great reform of 1834, for which the time is fully ripe. Discrimination by classes must supersede that discrimination among individuals which has been found impossible. We must endeavour, as far as is safely practicable, to dispauperize our paupers—to remove as many classes as possible of our less fortunate citizens from the demoralizing circle of that form of our collective charity which must necessarily bear a stigma of disgrace. Not that we can give any encouragement to still more demoralizing individual charity. In the collective provision itself there need be no more

disgrace, and therefore no more demoralization, than in our collective provision for roads, bridges, schools, museums, libraries, free ferries, or drinking fountains. The more, indeed, that can be rescued from the barbaric chaos of competitive anarchy on the one hand, and from the evil associations of the Poor House on the other, the less demoralizing will our arrangements be to those weaker brethren whom, as Mr. Grant Allen tells us, evolution teaches us to develop rather than to crush. To stop the further degradation of these "little ones" in our midst is an urgent social necessity. London, as usual, suffers more than other places from the evils of the present system. Poor Law Reform is clearly one of the very foremost of the social problems to be attacked when once the Irish block is removed from our legislative line.

CHAPTER XI.

LONDON'S NEGLECTED HERITAGE.

"People like you were made to be outvoted," replied on one historic occasion a City faggot-voter to a resident elector who had dared to grumble at his intrusion. History does not record what dark thoughts of Foulon, and the eating of grass, passed through the mind of the objector. Some may have reflected, in looking down the long list of eight thousand non-resident liverymen, each entitled to a vote for the two members for the City, and to elect its Lord Mayor, that this same electoral iniquity may one day be the means of winning back for the people of London the most magnificent heritage that the world has ever known. The electoral privileges of the City companies are among their most dangerous possessions, for this perpetual reminder of the need for reform must inevitably compel the next Liberal Government to deal with the whole question of the Guilds and their property.

TABLE SHOWING THE CORPORATE AND TRUST INCOME OF THE LONDON LIVERY COMPANIES, 1879-80.

THE TWELVE GREAT COMPANIES.

Company.	Corporate Income.	Trust Income.	Total Income.	Number of Livery-men.	Number of Court.
	£	£	£		
Mercers	47,341	35,417	82,758	157	30
Grocers	37,736	500	38,236	214	35
Drapers	50,141	28,513	78,654	302	29
Fishmongers	46,913	3,800	50,713	432	34
Goldsmiths	43,505	10,792	54,297	170	25
Skinners	18,977	9,950	28,927	190	30
Merchant Taylors	31,243	12,068	43,311	195	35
Haberdashers	9,032	20,000	29,032	460	38
Salters	18,892	2,148	21,040	173	27
Ironmongers	9,625	12,822	21,647	52	55
Vintners	9,365	1,522	10,887	220	18
Clothworkers	40,458	10,000	50,458	150	44
	£363,227	£147,532	£510,760	2,715	400

The seventy-three Livery Companies of the City of London are almost the only survivors of the network of guilds which covered mediæval England. How the old "Guild Merchant" was gradually superseded by the Craft Guilds; how these, in their turn, became practically close corporations; how the illicit workers gradually increased outside the Guilds, and these inevitably lost their industrial functions and their authority over the crafts which they still professed to represent; how, finally, the great outburst of Henry's greed and the Protestant Reformation swept away their property, in one of its eddies, as devoted to "superstitious uses"—all this will one day make an instructive chapter in that

history of the social development of England which has still to be written, but must not detain us here.[1] What is important to-day is that the London Guilds, by one accident and another, escaped the fate of nearly all the others, and survive in possession of property worth no less than twenty millions sterling.

THE TWELVE LARGEST OF THE MINOR COMPANIES.

Company.	Corporate Income.	Trust Income.	Total Income.	Number of Liverymen.	Number of Court.
	£	£	£		
Leathersellers	16,395	2,333	18,728	139	28
Brewers	3,157	15,482	18,640	75	30
Carpenters	10,378	940	11,318	134	?
Saddlers	10,243	1,000	11,243	42	24
Armourers	8,026	60	8,086	66	21
Cordwainers	6,154	1,600	7,754	96	20
Coopers	2,420	4,700	7,120	170	20
Dyers	6,000	1,000	7,000	83	?
Cutlers	5,337	50	5,387	88	23
Stationers	3,170	1,576	4,746	312	?
Girdlers	2,932	1,374	4,306	91	24
Apothecaries	3,398	500	3 898	150	24
	77,610	30,615	108,226	1,296	300
Fifty smaller Companies, about	40,000	10,000	50,000	3,500	800
Total in 1879-80	480,837	188,147	668,986	7,500	1,500
Annual value of Halls, Plate, &c.	100,000	—	100,000	—	—
Probable Increase in Income in 12 years	100,000	50,000	150,000	1,000	—
Probable Total, 1891	£680,837	£238,147	£918,986	8,500	1,500

(Summarized from Firth's "Reform of London Government," and Royal Commission Report, C.—4973, Vol. iv., last lines and totals added.)

[1] See "The Gild Merchant," by Charles Gross (Oxford: Clarendon Press, 1890); also "Guilds and Trade Unions," by Professor L. Brentano (London: Trubner, 1870).

This enormous wealth, in which the public interest can scarcely be denied even by the Liberty and Property Defence League, is at present administered by the self-appointed "Courts of Assistants" of the seventy-three companies. The eight thousand liverymen have no control over the affairs of the companies to which they belong, and their interest in the property is limited to a few dinners a year. The fifteen hundred members of the Courts of Assistants get more frequent dinners and abundant fees for attending them. These fees alone amount to over 40,000*l.* per annum, and the amount spent in dinners to over 100,000*l.* Over 150,000*l.* more goes in salaries of officers and other expenses of management, giving opportunity for the exercise of patronage on a large scale. Finally, about half a million a year is devoted to public purposes of one kind or another. The whole administration of this essentially public property is performed in secret, by small committees which nominate themselves and acknowledge no responsibility to anyone. No public superintendence controls their jobbery; no public audit checks their waste.

The income of these companies is derived from property producing over three-quarters of a million annually. Some of them are among the largest of London's ground landlords; some of them own great stretches of agricultural land in various counties; the twelve "great companies" share among them the

Ulster estates of the "Irish Society"; and nearly all of them possess, in addition, valuable freehold "Halls" hidden away in back streets of the City, gorgeous old plate emblazoned with arms, and surplus funds invested in consols or lodged on deposit at the Bank of England. Four-fifths of the property belongs to the twelve "great companies," who claim precedence of the rest; and another seventh is shared among the twelve largest of the minor companies, leaving about one-seventeenth to be divided among forty-nine insignificant companies, to which, however, half the liverymen belong. It is mainly the latter companies which now manufacture faggot-votes, and some of them derive an appreciable part of their income from this sale of their "livery," or admission to membership.

The property of the companies is divided into two portions, that for which any definite "trust" is admitted, and the "corporate" income, which is sometimes claimed as the private property of the members, divisible among themselves at will. The "trust income" now amounts to about one-third of the whole money income, and it is mainly out of these public funds that the companies maintain their schools and their almshouses, their pensions and their doles. Two-thirds of the income is, however, not ear-marked as subject to any now discoverable trust, and half of this "corporate income" is accordingly spent by the Courts of Assistants in the management

of the rest, and in "making themselves comfortable," as one member humorously puts it. But even the members of City companies have consciences, for the other half of the corporate income is voluntarily devoted to public purposes, chiefly subscriptions to charities, provision for technical education, &c.

These companies formerly discharged out of this corporate income various public functions connected with their respective trades, and were once doubtless of great public utility. Every trading citizen, rich or poor, man or woman, could become a member, and was sometimes obliged to do so. It is probable that the companies are still legally "empowered to compel every tradesman in London or the suburbs to take up his freedom in the company; and every tradesman or craftsman has the right to be admitted. The companies are bound to teach the trade to all who come to learn, and to provide for the poor, infirm, and decayed out of the lands which they were by charter permitted to acquire."[2] If they had expanded with the City which has made their wealth, they would, to-day, be discharging all the functions of the Boards of Guardians and the School Board.

Instead of fulfilling these duties, the following table shows how they spend their magnificent income:—

[2] Firth's "Reform of London Government," pp. 101-2 (London: Sonnenschein,—"Imperial Parliament" Series).

EXPENDITURE OF CORPORATE INCOME, 1879-80.

Name of Company.	Corporate Income.	Court and other Fees.	Salaries.	Entertainments and Wine.	Management and Maintenance.	Contributions.	Miscellaneous.
	£	£	£	£	£	£	£
Mercers	47,341	8,766	5,643	4,909	7,729	15,236	—
Grocers	37,236	762	3,672	6 014	2 298	17,491	1,860
Drapers	50,141	4,984	4,149	6,112	16,576	12,320	997
Fishmongers	46,913	£6,994		9,311	7,247	19,993	8,344
Goldsmiths	43,505	1,576	4,292	6 266	6,954	28,414	2,736
Skinners	18 977	2,566	2 617	5,602	1,498	5,272	2,212
Merchant Taylors ...	31,243	1,291	4,685	8,985	1,936	11,694	457
Haberdashers	9,032	2,496	762	2,024	1,115	1,176	275
Salters	18,910	3,101	1,072	3,046	2,345	2,557	8,474
Ironmongers	9,629	873	1,534	2 479	2,866	1 057	1,350
Vintners	9,335	1,104	1,726	3 070	1,607	1,508	499
Clothworkers	39,149	3,524	3,070	3,742	7,517	19,473	—
Apothecaries	3,398	296	498	778	153	631	—
Armourers and Braziers	8,086	1,465	660	1,923	1,996	3,283	—
Bakers	1,911	347	186	778	384	393	—
Barbers	1,383	166	250	556	201	—	—
Blacksmiths	684	102	77	370	46	128	—
Brewers	3,157	307	773	628	478	604	—
Carpenters	11,318	941	691	1,289	973	1,227	2,147
Coachmakers	1,179	182	131	238	353	178	—
Cooks	2,500	356	244	1 122	319	189	—
Coopers	2,420	1,461 (including entertainments)	377	(included with Court Fees)	371	190	—
Cordwainers	6,259	£2,206		1,070	1,542	1,050	—
Curriers	1,295	129	278	320	1,250 (including works in hall)	105	—
Cutlers	5,885	702	585	2,343	695	1,155	200
Founders	1 853	271	250	410	839	54	—
Girdlers	4,256	319	442	1 052	1,491	177	—
Glaziers	285	36	45	189	—	11	—
Innholders	1,327	184	150	222	360	—	—
Joiners	1,312	244	120	783	83	264	—
Leathersellers	16,395	2,200	1,070	2,666	9,100	2,705	—
Painters	793	—	44	325	562	31	—
Plumbers	887	316	86	398	(included with entertainments)	60	—
Saddlers	10,213	3,140	773	1,755	1,365	1,845	—
Scriveners...	836	184	114	383	(included with salaries)	245	—
Stationers	3,173	—	335	644	1,077	560	—
Wax Chandlers	1,375	2,092 (including law costs, &c.)	220	(Included with Court Fees)	(included with Court Fees)	—	15
Wheelwrights	319	—	48	225	34	40	—

From Royal Commission Report, C.—1073, and Firth's "Reform of London Government."

The wealthiest of the companies may serve as a type of them all. The Mercers' Company, owner of vast property near Long Acre, as well as many other estates, admitted, in 1879-80, to possessing a corporate income of 47,341*l.*, and a trust income of 35,417*l.*, derived from property administered by a court of thirty members, who received 8,766*l.* in fees, and expended 4,909*l.* on entertainments and wine, spending also 5,643*l.* in salaries, and 7,729*l.* in management and maintenance.

One of the most useful acts of Mr. Gladstone's last administration was the appointment of a Royal Commission to inquire into these companies and their possessions. That Commission reported in 1884, and their volumes of evidence are a mine of wealth for the London reformer. But the returns rendered by the companies went only to the year 1879-80, and the years which have since elapsed are a period of absolute darkness. We know, however, what the companies owned to possessing in 1880, and since then, by the falling-in of leases and rise in London rents, their income must have largely increased. The Royal Commission contained such ardent Socialists as the Duke of Bedford, the Earl of Derby, Viscount Sherbrooke, the Lord Chief Justice of England, and Alderman Sir Sydney Waterlow, and these wicked confiscators positively claimed the companies' whole income as being virtually public

property. They urged, in 1884, the immediate intervention of Parliament "for the purpose of (1) preventing the alienation of the property of the Companies of London; (2) securing the permanent application of a considerable portion of the corporate income thence arising to useful purposes; (3) declaring new trusts in cases in which a better application of the trust income of the companies has become desirable." Other recommendations were that the companies should be thoroughly reorganized; that they should be compelled to publish their accounts; and that the livery franchise should be abolished.

It is perhaps needless to observe that not one of these recommendations has been followed. No Act of Parliament has been passed restraining the alienation of the companies' property, and they have during recent years been trying quietly to slide out of their responsibilities as Irish landlords by selling their Ulster estates. Nothing has been done to check the scandalous annual misappropriation of one-fifth of the entire income in fees and dinners; no accounts are published; and the list of liverymen voters continues to grow. Is there any parallel in all history to this continued mismanagement of a public estate worth twenty millions sterling?

The companies perform now practically no public function. It is true that the Goldsmiths' Company

still exercises a vexatious and unnecessary "hall-marking" of gold and silver plate; the Fishmongers' Company condemns bad fish; the Apothecaries' Company grants inferior medical licenses, and has a lovely old "physic garden" at Chelsea, which it is trying to sell for building; the Gunmakers' Company stamps gun-barrels; and the Stationers' Company mismanages, most atrociously, our only register of copyrights. The Plumbers', Turners', and Coach-makers' Companies have lately made feeble efforts to find something useful to do; but the whole attempt is an anachronism and a scarcely concealed sham. Craft guilds are out of date; and, even if they were not, the few thousand wealthy members of the City companies cannot possibly represent the million workers of the Greater London which has made their wealth by growing up around them.

We are, however, a conservative people, and it may yet be possible to find some kind of ornamental function for a few of the larger companies, duly re-organized and purified. But it must be one of the first duties of the first Radical administration to see that London's twenty millions sterling are rescued from their dying grasp, and placed in the hands of some public authority representative of the people of London. The Bill dealing with the companies might vest this vast sum in temporary trustees whilst the County Council and School Board prepare schemes

for the devotion to public purposes of London's magnificent heritage. But the hidden influence of the City is enormous, and with such an estate to "administer" even delay is worth fighting for. The electors must look to it that the knees of the Government are stiffened, or the City will win after all.

CHAPTER XII.

THE CRY OF THE LONDON LEASEHOLDER.

Most houses in London, and some of those in other towns, have been built on what is called the leasehold system. The owner of the land which has become "ripe for building" lets it for ninety-nine or eighty years, or for "three lives," at a fixed ground rent, to a builder, who undertakes to cover it with houses. The houses are built, and let to tenants, who pay their rent to the "leaseholder" or "lessee"—the builder or the person to whom he has sold the houses. During the period of the lease the ground landlord (or "freeholder") receives from the leaseholder the annual ground rent, free of all rates and taxes (except income tax). At the end of the term agreed upon, the houses and everything else affixed to the soil become the property of the ground landlord, who henceforth takes the whole rack-rent from the occupiers. Sometimes it is impossible to obtain land to build on upon any other terms than these.[1]

[1] See the publications of the Leaseholds Enfranchisement Association, 1, Salisbury Street, Strand, W.C.; the Report

This does not matter to the occupier at a weekly rent; it is all the same to him whether he pays that rent to a freeholder or a leaseholder. Nor does it matter to the investor in house property; if he buys a short lease, he takes care to give for it only a low price. But it is hard on the shopkeeper who has established a business, and finds himself threatened with an increase of rent, just at the time when he dare not move. It is hard on the congregation of a chapel who may be compelled to turn out because the ground landlord dislikes Dissenters. It is hard on the prosperous man who has bought a house to live in, and wants to feel that it is his "very own" for ever. Above all, it is hard on the public to see the fruits of their labour scooped in by the ground landlords, who "grow richer, as it were, in their sleep, without working, risking, or economizing. What claim have they, on the general principle of social justice, to this accession of riches?"

These are the hardships which give rise to the Cry of the London Leaseholder.

Unfortunately, the Leaseholds Enfranchisement Association, which was formed in 1883 to remedy

and Evidence of the Select Committee on Town Holdings, 1887-1890; the analysis of these Blue-books, prepared in the landlord interest, and published by Cassell, three volumes, one shilling each; "The Great Landlords of London," by Frank Banfield, M.A. (Spencer Blackett); and Fabian Tract No. 22, "The Truth about Leasehold Enfranchisement" (Fabian Society, 276, Strand, W.C.)

these hardships, could think of no better remedy than a further extension of landlordism. As private ownership of land has worked so badly, they recommended a wider diffusion of it. The Leaseholds Enfranchisement Bill, which the House of Commons rejected in 1891, would have enabled the holder of a long lease to buy out the ground landlord, and so become the freeholder himself. Various proposals have been made on the subject, but these are all based on the idea that it is the possession of a considerable property interest in the premises which should entitle the leaseholder to buy out the freeholder. Nothing is done for the tenant *qua* tenant, or for the occupier *qua* occupier, for, indeed, it would hardly be possible to empower every occupier compulsorily to expropriate his landlord. But instead of taking warning from this fact, the advocates of Leasehold Enfranchisement confine their proposals to the small class of property owners anxious to invest more capital in the acquisition of their premises. How this ever came to be considered a Radical measure, or one deserving of the support of the masses, who are not property owners, will remain a mystery to future ages.

With an energy and persistence worthy of a better cause, the advocates of Leasehold Enfranchisement have pushed their case before the Town Holdings Committee and the House of Commons, but with comparatively little result upon the London working

man. It cannot, however, be said that public opinion is inclining towards their particular proposal. The grievances of the London tenant against the London landlord are many and serious, but the attempt to merge them in the agitation of leaseholders to buy out their freeholders is rapidly coming to be regarded as an inadequate and even a retrograde solution of the difficulty. The deliberate omission of Leasehold Enfranchisement from the programme of the London Liberal members and candidates in January 1890, and the rejection of the Leasehold Enfranchisement Bill in May 1891, by the efforts of a few advanced Radicals in the House of Commons, emphasize the abandonment of the idea of individual ownership of land, upon which Leasehold Enfranchisement rests.

Leasehold Enfranchisement would indeed meet the case of the chapel congregation, who could free themselves from landlord tryanny. It would meet the case of the prosperous man who occupies the house he has bought, and who would no longer feel that he was improving another man's property. But it would do little for the shopkeeper, who seldom has twenty years' unexpired lease—not enough to bring him within the benefits of the proposed Act. It would do nothing for the millions of occupiers of weekly tenements, who have no more chance of becoming leaseholders than of becoming kings. And it would do nothing whatever to stop the plunder of the public

by the scooping in of the unearned increment of land values, due to the mere growth of population and the execution of public improvements. What does it matter to the community whether that unearned increment goes to Duke A. (the freeholder) or to Mr. B. (the leaseholder)?

Who, indeed, would benefit by Leasehold Enfranchisement? Nobody but the man prosperous enough to own a house, whether he occupies it himself or not. The millionaires of Belgravia would be able to buy out the Duke of Westminster. But nothing whatever would be done for the tenement occupier. No one would be benefited but the rich and the middle class, and the bigger their prosperity the more they would gain.

Why, then, are the Tories taking the question up and the rich Liberals warmly commending it? One of them has told us—"The more widely spread, and the larger the number of persons who are interested in the ownership of property, the better it is for the rights of property." And at the annual meeting of the Leasehold Enfranchisement Association in February, 1891, the United Property Owners Association presented the President with a memorial in consideration of his services to their cause in strengthening the defences of "the rights of property." It is difficult to see how working men and Radicals can be appealed to in support

of the cause of the United Property Owners Association?

It cannot be said that either the evidence, or the interim reports of the Town Holdings Committee, have done much for Leasehold Enfranchisement. It is iniquitous enough that the ground landlords of the 120 square miles on which London stands should receive an ever-growing unearned tribute from London's labour. But the matter would be hardly mended by transferring this privilege from the ducal ground-lords to the comparatively small number of leaseholders for long terms. The deliberate creation of new freeholds by law is a policy now rapidly passing into obliviscence. The principle of "Betterment" is eclipsing that of "Enfranchisement."

Professor Marshall's "Principles of Economics" emphasizes the abandonment by the economists of the panacea of peasant proprietorship. Even for Ireland, the *corpus vile* of so many political experiments, the statesmen are beginning to turn their eyes in another direction. The "instruction" to the Committee on the Land Purchase Bill, of which Mr. John Morley gave notice in 1890,[2] was significant of the

[2] "That it be an instruction to the Committee to make provision for the creation of Elective Authorities in each county in Ireland, which authorities shall have a veto in all transactions for the transfer of land under this Bill, *and shall have a portion of the sum which will be received from the tenant in the shape of rent*, AND SHALL BECOME THE LANDLORD, and shall pay over to the Exchequer that portion of the rent which belongs

growing feeling in favour of collective rather than individual control over the land. And especially in great cities is it coming to be more and more generally felt that the ownership of their sites is better vested in public than in private hands.

London leaseholders have, indeed, many legitimate grievances; but inability to share permanently in London's unearned increment is not one of them. The tenant of agricultural land has obtained some measure of security for the improvements which his business compels him to make on the land. In Ireland, moreover, he has secured fixity of tenure and a judicially assessed rent. The urban tenant usually enjoys none of these advantages. Whether leaseholder or not, he cedes his unexhausted improvements to his landlord, and on renewing his tenancy pays for them over again in a rise of rent. Even if he has been a tenant all his life, and his family before him, he has no legal right of renewal—not even a right of pre-emption. If he has created a business attached to the particular premises which he occupies,

to the Exchequer in respect of the instalments, and shall have power to pledge the local revenues belonging to or allotted to the respective counties towards guaranteeing the repayment thereof." (*5th June*, 1890.)

This would, indeed, be a very different kind of land purchase from that advocated by Mr. Bright or Mr. Gladstone or Mr. Parnell; nothing short, in fact, of a complete reversal of the old Liberal notion of peasant proprietorship and the adoption of the more modern idea of the collective control over the land.

the landlord is able to confiscate this "good-will" to the uttermost farthing by an extortionate premium or fine as a condition of a new lease. The whole law of "dilapidations" is a happy hunting-ground for landlords and their solicitors.

What is wanted, in fact, is an Agricultural Holdings Act made applicable to urban tenancies. Even so economic a "stalwart" as Mr. Leonard Courtney declares in favour of the principle of a "Land Court" for England.[3] If we can give every tenant the right to compensation for reasonable unexhausted improvements, according to the length of his tenancy, and also, in certain cases of hardship, a right to claim, subject to the discretion of some impartial tribunal, a renewal upon reasonable terms, we shall have done all that the ordinary leaseholder can equitably demand.

Quasi-public bodies, such as chapels and co-operative societies, may be granted a right of compulsory purchase, equivalent to that now enjoyed in the case of the Established Church. But economic evidence, no less than the common opinion, points to the dealing with the unearned increment by way of municipal control and special taxation rather than by an indiscriminate "enfranchisement" of urban leaseholds.

In no case, therefore, should leasehold "enfran-

[3] See his paper published in the "Proceedings" of the National Liberal Club, Political Economy Circle, Vol. I. (1891).

chisement" for individuals be aided by the law. Radicals no longer wish to create new landowners under State title, either in town or country. In places like Devonport, where the ground landlord imposes the peculiar "three lives" term, and in others where tyrannous conditions are insisted upon, the court would find a remedy and protect the tenants without making landowners of them. Buildings which are property of a public nature, such as chapels, halls, schools, and co-operative stores, might be compulsorily enfranchised as against the freeholder, and the ownership of the soil should then become vested in the County Council or other public authority, which should grant to the occupiers permanence of tenure at a nominal rent. At the same time, an "Unearned Increment Bill" should secure to the public at large the whole benefit of any future rise in the value of urban land. Let there be an exact valuation made which would serve also as the basis of a proper taxation of land values. Give the County Council, or other public authority, power at any future time to take over the land at its present value, with compensation for any improvements subsequently made by the owner. This would enable the community to secure for itself the whole of the future unearned increment, and place it at the same time in a position adequately to tax what it has already let slip. This

is the easiest beginning of Land Municipalization, and it is pretty clear that Land Municipalization must henceforth be accepted as the principle of any Radical programme dealing with the difficulties of urban tenants.[4]

[4] See the repeated declarations on this point of the Metropolitan Radical Federation, and the Trade Union Congress.

CHAPTER XIII.

THE HOUSING OF THE PEOPLE.

The question of the Housing of the People derives its importance as a plank in the London Programme from the unsatisfactory social condition of a large proportion of Londoners. If the great mass of the citizens of the metropolis were individually in a condition to pay the commercial price for decent accommodation, the need for collective action would be less pressing. Unfortunately this is very far from being the case.

London contains now nearly one million families. How many of these are in destitute circumstances, and how many comfortably off? The official census statistics give no information on this point; but Mr. Charles Booth, with the aid of a staff of assistants, has, during the last five years, been making exhaustive inquiries into the subject, and has already published the results of a complete industrial census of East

London (Tower Hamlets, Shoreditch, Bethnal Green, and Hackney), comprising about one-quarter of the whole. His results are presented in detail in his book, "Life and Labour of the People in East London" (Williams and Norgate). His classification is given in the following table :—

Class.		Number of persons (including women and children).	Per cent. of whole population.
A.	Loafers, casuals, and semi-criminals	11,000	1¼
B.	Casual earnings, very poor, below 18*s.* per week (in chronic want)	100,000	1¼
C.	Intermittent earnings of 18*s.* to 21*s.* per week..	74,000	8¼
D.	Small regular earnings of 18*s.* to 21*s.* per week	129,000	14¼
	Total "in poverty"	314,000	35¾
E.	Regular standard earnings, artisans, etc., 22*s.* to 30*s.* per week	377,000	42¼
F.	Higher class labour, 30*s.* to 50*s.* per week ...	121,000	13½
G.	Lower middle-class, shopkeepers, clerks, etc..	34,000	4
H.	Upper middle-class—"the servant-keeping class"—mostly in Hackney	45,000	5
		891,000	
	Inmates of workhouses, asylums, hospitals, etc.	17,000	
	Estimated population, 1887	908,000	

Mr. Booth's work has since been extended to the whole of the metropolis, and his forthcoming volume [1] will afford trustworthy information as to the economic condition of the whole population. In the meantime we have the paper read by him before the Royal Statistical Society, in which he extended his East End generalizations over the whole metropolis, making due allowance for local differences.

[1] Now published (June, 1891).

The following Table gives the Classification of London Districts in sequence of poverty, with some of the particulars upon which the classification is based:—

	Population in 1881.	Persons to an acre of inhabited area.	Inhabited houses to an acre.	Persons to an inhabited house.	Rateable value per house.	Rateable value per person.	Estimated percentage of poor (classes A, B, C, D).
					£	£	
Bethnal Green	126,961	195	23	7·6	22	2·9	45
St. George's and Whitechapel	118,520	227	26	8·9	43	4·8	43
Shoreditch	126,591	207	25	8·4	39	4·6	40
North Lambeth (riverside) ...	91,281	191	22	7·1*	37*	5·1*	40
St. Saviour's	195,164	177	22	8·6	39	4·9	37
Poplar	156,510	125	17	7·7	33	4·4	36
Holborn	151,835	193	19	10·0	59	5·9	35
St. Olave	134,632	131	17	7·7	45	5·8	35
Mile End and Stepney	164,156	165	22	7·4	30	4·0	30
St. Giles, Soho, St. James, and Strand	125,513	175	16	10·9	162	11·5	30
Greenwich	131,293	62	10	6·6	32	4·8	30
St. Pancras	236,258	131	14	9·6	59	6·2	25
Camberwell	186,593	58	9	6·8	31	4·5	25
Wandsworth	210,434	36	5	7·1	45	5·9	25
Lewisham	73,227	20	3	6·2	48	7·6	25
Hackney	183,462	66	10	6·8	36	5·2	23
Islington	282,865	102	12	8·6	43	5·3	20
Woolwich	80,845	20	3	6·9	30	4·5	20
Fulham	114,839	57	8	7·0	34	4·9	15
Chelsea	88,128	118	15	7·9	43	5·4	15
St. George's, Hanover Square	149,748	111	13	8·4	132	15·8	15
Lambeth (remainder of) ...	162,418	53	8	7·1*	37*	5·1*	15
Marylebone and Hampstead...	200,362	68	7	9·1	83	9·1	10
Paddington	107,218	107	13	8·1	91	11·2	10
City of London	51,429	85	11	7·8	380	69·4	10
Kensington	163 151	90	11	8·1	83	10·2	5
Total for London	3,816,483	78	10	7·8	57	7·3	25

* For the whole of Lambeth.

Mr. Booth sums up his calculations as follows:—

"Taking the estimated percentages of poverty as given in the tables, and the population of 1881, we get a total of 963,943 poor in London; or, with the population of to-day as our basis, rather more than 1,000,000. This number does not include indoor paupers, or other inmates of institutions."

Class A.	50,000
„ B.	300,000
„ C.	250,000
„ D.	400,000
Classes E. F. G. and H.	3,000,000
	4,000,000[2]

If, altogether, a million persons are in the "poverty" denoted by Mr. Booth's first four classes—earning, that is, not more than a guinea per week per family, and that often irregularly—it is easy to understand how little they are able to afford for the encouragement of the sanitary builder.

Add to this state of things the enormous expansion of the population, the great increase in ground rents, and the neglect of many of the Vestries to enforce the sanitary law, and it will scarcely be surprising that the condition of the homes of the poorer classes has become a public scandal.

In 1884 one of the most influential Royal Commissions ever chosen was appointed "to inquire into the Housing of the Working Classes."

The Commission included, and the Report is signed by, the Prince of Wales, Cardinal Manning, the Marquis of Salisbury, Lords Brownlow and Carrington, Bishop Walsham How, Mr. G. J. Goschen, Lord Cross, the Lord Provost of Edinburgh, Messrs. Lyulph Stanley, E. Dwyer Gray, W. M. Torrens, Henry Broadhurst, Jesse Collings, G. Godwin, S.

[2] P. 305 of *R.S.S. Journal*, June, 1888. Mr. Booth's later investigations lead him to think this estimate too favourable.

Morley, and Sir Charles Dilke (chairman). It comprised men of all shades of opinion and representing various classes, and its Report was unanimous, except as to the one point of "rating vacant land in the neighbourhood of the metropolis on its capital value."

The mass of information collected in the Blue-books of this Commission reveals a state of things unworthy of a civilized community. Very little has yet been done to remedy the evils thus disclosed, and the Housing of the People is therefore one of the most pressing items in the London Programme.

Nor are matters improving in any perceptible degree. The Report says that:—

"The first witness who was examined, Lord Shaftesbury, expressed the opinion more than once, as the result of nearly sixty years' experience, that however great the improvement of the condition of the poor in London has been in other respects, the '*overcrowding has become more serious than it ever was.*' This opinion was corroborated by witnesses who spoke from their own knowledge of its increase in various parts of the town. The facts which were described to Your Majesty's Commissioners as regards much of the central portion of London, which was especially investigated, bore out the statement of a witness, who said of the part of St. Pancras lying south of the Euston Road, that overcrowding had not

increased there simply because the district had become so full it could not grow more crowded. The facts mentioned in evidence show plainly *how widely the single-room system for families is established*; and the statement of a clergyman from the centre of London, that in his district the average is five families to six rooms, will be found in certain areas to be under the mark rather than an exaggeration. In Clerkenwell, at St. Helena Place, a house was described containing six rooms which were occupied at that time by six families, and as many as eight persons inhabited one room. At Wilmington Place, there were eleven families in eleven rooms, seven persons occupying one room. At Noble Street, five families of twenty-six persons in all were found inhabiting six rooms. A small house in Allen Street was occupied by thirty-eight persons, seven of whom lived in one room."

Few persons indeed realize the extent of the need for the better housing of London's poor. Of the 1,000,000 Londoners estimated by Mr. Booth to be in poverty, practically none are housed as well as a prudent man provides for his horse. These 200,000 families, earning not more than a guinea a week, and that often irregularly, pay from 3*s.* to 7*s.* per week for filthy slum tenements, of which a large proportion are absolutely "unfit for habitation" even according to the lax standards of existing sanitary

officers.[3] London needs the rebuilding of at least 400,000 rooms to house its poorest citizens, at the minimum of two decent rooms per family, not to speak of the ideal of three rooms and a scullery, which should be our goal.

How much has been done towards this work? Not a single Vestry ever exercised its powers of building dwellings. The only public body in London which has followed Liverpool, Glasgow, and other provincial towns in this matter is the City Corporation, which has built blocks in Farringdon Road and Petticoat Lane (Middlesex Street). The blocks in Farringdon Road were built with the special object of accommodating the persons connected with the City's markets. The other experiment is of greater importance. The Commissioners of Sewers of the City of London cleared about one acre in Golden Lane and about two acres in Petticoat Lane, under the Artisans Dwellings Acts. The Golden Lane site was agreed to be sold to the Regent's Canal, City and Docks Railway Company. On the Petticoat Lane site the Commissioners have themselves erected dwellings. In April, 1888, 240 tenements had been let and 923 persons were in occupation. No other public authority in London has yet erected any dwellings.

[3] See "The Housing of the Working Classes," by J. Theodore Dodd (National Press Agency, 1*d.*); and "The Housing of the Poor," by F. H. Millington (Cassell & Co., 1s.)

The Trustees of the magnificent donation (500,000*l.*, in 1862, 1866, 1869 and 1872) of the late George Peabody have done something towards the housing of the more regularly employed London workers. At the end of 1887 the Trustees had provided 5,014 separate dwellings; 74 of four rooms, 1,782 of three rooms, 2,351 of two rooms, and 807 of one room. The average rent charged is about 4*s.* 9*d.* per dwelling, or 2*s.* 2*d.* per room, including free use of conveniences of all kinds.

The Peabody Trustees have, indeed, done a good deal to improve the housing of the working class above the unskilled labourer. The working man who can afford to pay for three rooms can obtain a sanitary dwelling more easily than formerly, but the poor man who can only afford one room for himself and family is probably worse off. Bitter complaints are made of the Peabody Trustees, that the buildings are no good to the real poor, that they prefer to take in men with regular employment, especially Government employment—policemen, postmen, &c., and not the poor.

Other bodies, too, have been at work. Over 1,500,000*l.* was spent by the late Metropolitan Board of Works in compensating the owners of property in twenty-two areas, comprising nearly fifty-nine acres, condemned as unfit for habitation under the "Torrens Acts" and "Lord Cross's Acts." Instead of the

re-housing of the displaced poor by some public authority, we have had these cleared areas let at rents much below the market value to philanthropic and other capitalists, who have erected 344 blocks of dwellings, accommodating 38,231 persons. To get this small number re-housed by private enterprise has, therefore, cost the people of London a subsidy of over 39*l.* for each person, leaving still the whole property of the land and buildings in private hands.

The private capitalists thus subsidized comprise eleven Joint Stock Companies, in addition to individual speculators. Some of the statistics of the companies are given below :—

Company. (*Mortgages assumed to be at 4 per cent.*)	Capital.	Per Cent. Paid.	Net Income to Owners.
	£		£
Artisans, Labourers and General Dwellings Company	962,050	5	48,102
	432,720	4½	19,472
Improved Industrial Dwellings Company ...	550,000	5	27,500
National Model Dwellings Company	104,733	4	4,189
	106,363	5	5,318
Metropolitan Association for Improving the Dwellings of the Industrious Classes ...	192,200	5	9,610
	69,053	4	2,762
National Dwellings Society	45,750	4	1,830
	150,000	2	3,000
Soho, Clerkenwell and General Industrial Dwellings Company	35,000	7	2,450
	55,500	4	2,220
East End Dwellings Company	51,640	4	2,065
Four Per Cent. Industrial Dwellings Company	32,000	4	1,280
	8,000	3½	280
Metropolitan Industrial Dwellings Company ...	35,220	5	1,761
	48,300	4	1,932
National Conservative Industrial Dwellings Association	13,600	—	—
	16,175	4	647
South London Dwellings Company	31,300	4	1,252
Total ... ... £	2,939,604	4⅔	135,670

(From "Stock Exchange Year Book," 1889.)

The cost of the dwellings thus erected has accordingly been nearly 3,000,000*l.*, on which on an average $4\frac{5}{8}$ per cent. interest (besides occasional "bonuses" and the income-tax on dividends) is regularly paid. The interest payable by the County Council on such a loan would have been about one-third less.

Nor are even these dwellings beyond reproach. The Report of the Mansion House Council for 1890-1 strongly condemns many of the so-called "Model Dwellings" on the flat system, and a recent Government Report describes them as being "built in gross violation of the very first principles of sanitation. These dark, gloomy habitations are, in our opinion, far more likely to become a source of danger to the public health than are even the worst of the dilapidated cottages to which public attention has been called."[4]

But such as they are, they are the homes of the more fortunate of the poor. What is the fate of the less fortunate those who care may easily learn.

This is the result of a whole generation of effort of unorganized individualism. How long it would take at this rate to house decently London's million poor, is not possible to compute. But it must now be

[4] Report of the Home Office Commission of Enquiry into the Sanitary Condition of St. Leonard, Shoreditch, 1891 (House of Commons Paper, No. 143 of 1891). See also the Report for 1891 of the Mansion House Council on the Dwellings of the Poor (Cassell & Co.: price, 1*s.*).

becoming evident to any candid observer that if we really intend to deal adequately with the huge problem of re-housing a quarter of London's population, nothing short of London's collective power will suffice. The London County Council has accordingly decided, with some hesitation, itself to build and maintain blocks of dwellings for the poor, beginning with a block at Goldsmith Square, Bethnal Green. They are also in treaty with the Government for a portion of the site of Millbank Prison for the same purpose. The ample provision of suitable dwellings by the public authority is now an accepted part of the London Programme.

Provincial towns have long since begun what London has feared to attempt. In Liverpool the Corporation has cleared upwards of four acres, and itself erected five blocks of dwellings containing 322 tenements, and housing 1300 persons, at a cost for land and buildings of 130,816*l.*[5]

In Greenock an area of about 3½ acres was cleared, under the Artisans and Labourers Dwellings Improvements (Scotland) Act, 1875 in the years 1879-1881. Owing to general depression of the value of property in Greenock it was found impossible to sell the land thus cleared, and the Local Authority itself erected 197 tenements with the best sanitary arrangements, accommodating 890 persons.

[5] House of Lords Return, 1888, 275.—(3½*d.*)

Huddersfield took action under Lord Shaftesbury's Act in 1853, established a common lodging-house for men and women, and has since maintained it successfully out of the receipts. The Town Council has also spent 29,000*l.* in erecting artisan's dwellings, yielding nearly 2000*l.* a year rent.

Glasgow obtained a private Act in 1866, under which the Glasgow Improvement Trust was created. About eighty acres were bought at a cost of 1,600,000*l.* A great part of the property so acquired was cleared, and about 30,000 persons displaced [6] who were, it is supposed, provided for by a rapid increase of speculative building in the outskirts of the city. The land so cleared was disposed of partly by selling it to a railway company and to builders, who erected on it shops, warehouses and middle-class dwellings, and partly by the construction of new streets and a public park. At the same time one block of tenement houses was erected at a cost of 3426*l.* So far the Glasgow improvements correspond very closely with those of other towns. But between the years 1870 and 1879 the Glasgow Trust tried a very interesting and successful experiment by building and opening, under their own management, seven common lodging-houses (six for men and one for women). From May 1887, to May 1888, 637,581 beds were let to men, and 33,986

[6] Statement of the Trustees under the Glasgow Improvements Act, 1866, for the year 1887-88.

to women, at 4½*d.*, 3½*d.*, and (in the women's lodging-house) 3*d.* per night. The cost of the seven buildings and sites was 87,212*l.* 13*s.* 7*d.* The net returns after paying expenses, have been—

Year.		£	s.	d.		£	s.	d.		
1881–2	...	4,293	1	8	=	4	18	6	per cent.	on cost.
1882–3	...	3,954	2	6	=	4	10	8	,,	,,
1883–4	...	3,680	11	1	=	4	4	5	,,	,,
1884–5	...	4,691	3	8	=	5	5	7	,,	,,
1885–6	...	4,495	14	1	=	5	3	2	,,	,,
1886–7	...	3,736	2	4	=	4	5	8	,,	,,
1887–8	...	3,999	2	2	=	4	11	8	,,	,,

These houses are most admirably managed. The beds are clean, and in each house there is a comfortable recreation room, in which lectures are delivered, and music is produced by a "harmoniumist," whose salary appears regularly among the expenses. The inmates have ample opportunity for cooking their food and drying their clothes, while cheese, candles, sugar, tea, &c., are sold to them by the Corporation at wholesale prices.

The Dublin Town Council built in 1889-90, eighty-six tenements, at a cost of 10,000*l.*, which are well let and much appreciated.

Instead of well-organized municipal lodging-houses, London's poor have access to 25 "casual wards," accommodating 1139 men and 466 women and children, the average number of occupants nightly being 567 men and 171 women and children. About 4 per cent. of these are identified as habitual visitors, and detained

four days as punishment.[7] Those not destitute of twopence resort to London's 988 "common lodging-houses," accommodating 33,964 inmates, which are registered and inspected by the police. These "doss-houses" furnish a miserable "home" to thousands of London's citizens. The example of Glasgow shows how municipal organization could, without cost, immensely raise their "standard of comfort." Accordingly, the London County Council has decided to erect and maintain a common lodging-house of its own in Shelton Street, Drury Lane. But if Glasgow has seven of these, London needs at least thirty.

This experience of Glasgow is instructive on another point. What is needed in London is not lodgings let at charity rents, but an enormous addition to the supply of well-built dwellings. The object should be not so much to lower rents as to provide good accommodation in place of the slums. What London has to do is, like Aladdin's enemy, to give new lamps for old ones.

It is, indeed, not desirable, by the offer of cheap rooms, to increase the attractions which London already offers to the denizens of the more stagnant rural districts. Our aim must be to diminish rather than to increase the population of Central London.[8]

[7] Local Government Board Report, C.—5526, pp. 236-241.

[8] See Professor Marshall's article "Where to House the London Poor," *Contemporary Review*, February, 1883; also his "Principles of Economics," Vol. I. p. 253.

If the County Council were wise, its artisans' dwellings would be constructed in the suburbs, and placed in communication with the centre by means of municipalized free tramways. Housing and tramways have, indeed, a very intimate connection, and the problem of life in a city of five millions will never get itself adequately solved until these are dealt with together as parts of one common municipal estate.[9]

London's poor can, in fact, only get decently housed by the use of London's collective power. The 400,000 new rooms which we need may cost, indeed, for land and buildings, as much as thirty millions sterling, and, owing to the excessive price of the land, they might not yield the whole three per cent. interest on this outlay. But even if the annual deficit on this magnificent public estate were to amount to half a million a year, it would be a small price to pay to get the whole million people out of the slums. We should save it in a thousand ways, and if we did not it would amount to less than one-fifth of the unearned increment annually added to London's estate. A "landlord's property-tax" of threepence in the pound on the rental drawn from London would more than meet any possible deficit, and be but a small return from those to whom London's growth has given so much.

[9] See Chapter XX. "London As It Might Be."

CHAPTER XIV.

THE HOME SECRETARY'S POLICE.

LONDON has two entirely distinct police forces—the "Metropolitan" and the "City" Police. The former (established under Mr., afterwards Sir, Robert Peel in 1829) is now wholly paid for out of local funds, but is nevertheless entirely controlled by the Home Secretary. He appoints the chief officers, supervises the administration and the accounts, and is consulted about all important orders. The people of London have nothing to do but to pay the bill. The bill is heavy. In 1888-9, the total expenditure was 1,597,832*l.*, equal to almost precisely one shilling in the pound in London's rates (one-seventh of the whole public expenditure of the metropolis).

This expenditure is met, in the main, from the fixed Police Rate of ninepence in the pound, which, under 31 and 32 Vic. c. 67, is levied throughout the Metropolitan Police District, yielding about 734,000*l.* per annum. A further sum is contributed out of the Local Taxation Account administered by the

Chancellor of the Exchequer, amounting to nearly 600,000*l.*

From these funds a force of about 15,000 men is maintained,[1] of whom about 1,500 are employed in the Government dockyards of Portsmouth, Devonport, Chatham, Pembroke, and Woolwich, and in the protection of various public buildings in London.

The City Police, numbering about 1,100 men, is entirely maintained and controlled by the City Corporation.

Now the claim of London under this head is that it should be allowed to control its police force. Every other county and borough in Great Britain possesses this power, and it has become evident, since the incident of Trafalgar Square, to which further reference will be made, that the London Police will lack the very necessary support from London public opinion until they are transferred to the control of the London County Council. The bill introduced by the London Liberal members in 1888 accordingly provided for the immediate assumption by the Council of all the Home Secretary's authority over the Metropolitan Police Force.

Two difficulties connected with this transfer have to be overcome—the need for a Government Police Force, and the complications introduced by the

[1] The number on 31st December, 1889, was 14,725, and an addition of 1000 has since been sanctioned.

existence of an extra-metropolitan Police District.

It is said that the Cabinet would never permit the chief executive offices of the nation to be protected only by a police force under the control of a possibly hostile London Municipal body. In the same way it is suggested that the House of Commons would be equally reluctant to depend upon the good offices of a mere County Council.

But there would be no objection to the formation of a separate Government Police Force for the protection of Government property, and such a force might, indeed, at once be provided out of the 1,500 men already employed in these very duties. Similarly, the House of Commons might properly provide its own staff of attendants instead of borrowing London policemen. The possibility of amalgamating the City and Metropolitan Police Forces would far outweigh in advantage any loss of unity involved in the establishment of these small separate bodies.

The question of the extra-metropolitan parts of the Metropolitan Police District is less easy to deal with. At present the London Police act for all the district within a radius of fifteen miles from Charing Cross.

This covers 688 square miles, and includes five and three-quarter millions of people, 569 square miles, with one and a half millions of people, being within

the counties of Middlesex, Essex, Kent, Surrey, and Berkshire, or the municipal districts of Croydon, Richmond, or West Ham. The London County Council could hardly claim, and would, indeed, not desire to manage the police affairs of this vast area.

It is therefore proposed that the County and Municipal authorities outside the administrative county of London should henceforth maintain their own police forces out of their own rates, and they should cease to contribute to the Metropolitan Police Rate.

The question of Trafalgar Square requires further mention. This open space had long been used for public meetings, and, indeed, had been expressly designated as a fit place for such meetings at the time when the Home Secretary of 1867 tried to prohibit them in Hyde Park.

But in November, 1887, the Government, through their Chief Commissioner of Police, Sir Charles Warren, forbade, by proclamation, a political meeting in Trafalgar Square, under a certain Act of Parliament (23 Vic. cap. 47). The Radical Clubs of London examined this Act, and found that it gave the Chief Commissioner no such power as he claimed. They marched in unarmed processions to the Square, and were dispersed by the police with a violence which earned for that day (13th Nov., 1887) the name of "Bloody Sunday."

Although the Liberals had been loud in their protests on behalf of the right of public meeting, it was bitterly commented on at the time that not a single Liberal member of Parliament went to the Square with the Radicals; and Mr. Gladstone hastened to pay compliments to "our admirable police." Nothing was done by the Liberal leaders to countenance the Socialist member of Parliament (Cunninghame Graham) and the Socialist working man (John Burns) who had been arrested for insisting on their right to speak in the Square, and who were sentenced to six weeks' imprisonment in January, 1888. They were not indicted under the Act cited above. The Government had withdrawn that false pretence when compelled to sustain the illegal proclamation in the courts by argument instead of in the streets by force. But it was found that the site of the Square had been vested by Act of Parliament in the First Commissioner of Her Majesty's Works and Buildings, and the Government has successfully maintained its claim to exclude the public from the Square whenever it chooses.

It has accordingly become a point of honour with the London Radical working man to regain the right of public meeting in Trafalgar Square, and it is now a plank in the London Programme that the management of this open space, as well as that of Hyde Park, the Green Park, St. James's Park, and

Kensington Gardens should be transferred from the Commissioners of Works and Buildings to the London County Council. London has no right to cast the expense of these open spaces upon the national finances.

CHAPTER XV.

THE REGISTRATION MUDDLE.

PROMINENT in the London Programme stands the improvement of the Electoral Machinery. Payment of Members and Triennial Parliaments London needs no less than the rest of the country. But more than any other district, it requires a drastic reform of the arrangements for the registration of electors.

The imperfection of our system of electoral representation is indeed an old story. It is one more case of that "froward retention of custom" which Bacon, wise old Conservative, declared to be a more turbulent thing than innovation. The official arrangements for registering the crowded dwellers in populous cities are virtually still those which sufficed when the statute of Henry VI. for the first time restricted the county franchise to forty-shilling freeholders. The industrial revolution which transformed England from a rural to an urban community, and made antiquated even our proverbs and nursery tales, did not spare from obsolescence our political machinery. Yet the electoral registration of London's five million

souls is left to no better organization than that of a rural hamlet of the last century. The "overseers" of each parish, respectable inhabitants appointed by two Justices of the Peace, with functions now impossible to discover or describe, are supposed to make out lists of the persons qualified to be electors, all of whom, the Legislature apparently presumed, must be well known to them. These lists are "published" by being affixed for twenty-one days to the church-door, which, although no doubt "the tape" of mediæval times, is no longer the most obvious fount of modern news. To add to this blaze of publicity, the lists now lie also at every post office, where seek them those bold investigators who dare to invoke the young lady at the counter from her more pleasing duty of official gossip. The vigilant householder, discovering by these devious ways that his name is omitted from the list, must make a claim, on a form which no public authority will furnish, to some official whose name he does not know, and whose address he will have almost as much difficulty in discovering as that of Prester John. Having "claimed," the would-be elector must discover when and where the Revising Barrister will hold his court; (again watch the church-door; this time no post office helps); then he must attend the court, and support his claim when it is reached; and if no captious objector argues that he is dead or gone away, on the ground, for instance, that

a circular has been returned by the Post Office so marked, and if he is quite sure that he has already paid a particular poor rate, and satisfied every other technicality of an extremely complicated tangle of law, his name will be added to a register which does not begin to come into force until five and a half months after the qualifying day. If an election happens to take place during that particular year, he will be entitled (if he can find out when and where to record his vote) to exercise the proudest privilege of a democratic citizen. If no election takes place that year, he may have the whole difficulty to go through afresh, as will certainly be the case if he has in the meantime moved. Yet the perfect citizen struggles on, for haply, by patiently and persistently pursuing his right to be registered, he may one day save the State.

Most citizens, however, fall short of civic perfection, and would inevitably lose their electoral rights if private political enterprise did not create some supplement to the official machinery. Hence we have the registration work of the local political association. In London alone some fifty thousand claims are annually sustained. It is not uncommon in provincial cities that several thousand claims should be presented, or (as at Newcastle last year) that several thousand "objections" should be made. During the first twenty days of August in our 670

constituencies over a quarter of a million claims—four per cent. of the electorate—will probably be presented to the Overseers on behalf of one party or another. Every one of these claimants would, but for this extraneous and unofficial intermeddling, be disfranchised without appeal.

We leave it, in effect, to private enterprise to determine who, among the legally-qualified citizens, shall receive a vote. It is anarchy tempered by the caucus. Add to this defective machinery the complications of sixty years' Reform Bills without a single codification, the absurd distinction between the "occupier" of a one-room tenement and a "lodger"; the loss of qualification on changing from one to the other, a change which may occur merely by the landlord coming to sleep in the house; the disenfranchisement through admission of any member of the family to a public lunatic asylum or infirmary; the unnecessarily long period of residence required; the arbitrary date to which it must be reckoned—and it is not to be wondered at that one-third of our adult male citizens never get on the register at all. Of the six millions who are registered, over a quarter of a million possess duplicate votes, some men having as many as fifteen, or even twenty.

From this anarchy and confusion, London is a special sufferer. The London working man has to follow his work across a sea of houses covering one

hundred and twenty square miles, and necessarily flits from flat to flat more frequently than the inhabitants of a smaller community. Every removal practically disfranchises him on an average for eighteen months; for London, unlike Leeds or Liverpool, does not form a single borough for purposes of "successive occupation." As a consequence, only one in eight of London's population is on the register, as compared with one in six of the United Kingdom outside London, and one in five of many a provincial city. London, in fact, is not on the register, but only an arbitrarily selected fragment of it. This selected fragment, on the other hand, is so far favoured that at least one-fifth of it possesses duplicate votes. London, with one-eighth of the population of the kingdom, has only one-thirteenth of the total electorate, but enjoys at least one-fifth of the duplicate votes. It is a common occurrence at a General Election for one man to vote six times in the metropolis alone. And yet London is not happy!

The next Registration Bill must make a clean sweep of all these anomalies. We must aim at registering as large a proportion of the people as is possible; not at keeping off as many names as the ingenious use of technicalities will permit. The necessary period of residence must be shortened to not more than four weeks. The register can be made up quarterly by a salaried public officer in each parish,

or group of parishes, responsible to a permanent "returning officer," who might be appointed by each County Council. With such a superintending official, the costly system of Revising Barristers might be dispensed with. The whole of the legal technicalities as to "occupation," and as to householder and lodger, can be swept away by a broad definition of residence as the sole qualification of registration, due exceptions being made for hospitals, prisons, barracks, workhouses, &c. Neither the policeman nor the pensioner, neither the invalid nor the aged outdoor pauper, need be excluded as such from our roll of citizenship. Universal "Manhood Suffrage" or "Adult Suffrage" in a country free from "regimentation" is an impossible dream, and it prevails, indeed, least of all in countries such as the United States and Australia, where it is nominally enshrined in the Constitution. The necessity of making up local registers of a migratory population must always exclude a considerable number of citizens from the electoral roll. But even if we cannot make "one man one vote" mean actually "every man a vote," as the people now understand it; if we have not yet the honesty and courage to sweep away entirely the disability of sex, and secure equal freedom for all, we can at any rate go much nearer than at present to that desirable consummation.

CHAPTER XVI.

THE TAXATION OF GROUND-RENTS.

No part of the London Programme has met with more universal acceptance than the proposal that the owners of the valuable site of the metropolis should be required to make some direct contribution towards its collective expenses.[1]

As long as four years ago, Mr. Gladstone gave significant and pointed expression to this growing feeling in the following words:—

[1] See the publications of the United Committee for the Taxation of Ground Rents and Values (18, Bouverie Street, Fleet Street), especially "The Taxation of Ground Values," by J. Fletcher Moulton, Q.C., and "A Plea for the Taxation of Ground Rents," by the present writer. Some part of this chapter appeared in the Report of the Financial and Compensation Committee of the Conference on the Housing of the People (Secretary, J. Theodore Dodd, 20, Old Buildings, Lincoln's Inn). The evidence, given before the Select Committee of the House of Commons, on Town Holdings (1886-1891), and the Land Valuation Committee of the London County Council (1889) affords a mine of information, on which Mr. Goschen's work on "Local Taxation and Finance" may also be consulted. On the other side may be read the Summaries of the Evidence before the Town Holdings Committee, prepared and annotated in the landlords' interest (Cassell: 1*s.* per volume); and Sargent's "Urban Rating."

"We have just been driving along your magnificent Embankment, but at whose expense was that great, permanent, and stable improvement made? Instead of being made, as it should have been, mainly at the expense of the permanent proprietary interests, it was charged, every shilling of it, upon occupants; that is to say, mainly either upon the wages of the labouring man in fuel necessary for his family, or upon the trade and industry and enterprise which belong of necessity to a vast metropolis like this." [2]

Nor is it difficult to understand how this feeling arose. In former times, the amount spent by the community for local purposes was small and was devoted to but few objects. But in later years local expenditure has developed enormously. This is not due solely to the increase of population. On the one hand it has been felt necessary to discharge more thoroughly and at greater cost the ordinary services of sanitation, &c., and on the other hand many new objects, such as Primary Education and the provision of Parks and Open Spaces for the people, have been allowed to claim their share. The total of the Local Budgets for Great Britain and Ireland in 1885-6 was 67,842,277*l.*, which was equal to more than 75 per cent. of the imperial revenue of that year. Of this sum no less than 55,738,420*l.* related to England and Wales alone. The portion of this total sum levied by rates in Eng-

[2] Speech at Memorial Hall, 29th July, 1887.

land and Wales in that year was 32,177,883*l.* The amount thus raised has been growing at a very rapid rate. In 1841 the total sum raised by rates in England and Wales was 8,550,000*l.* In 1873-4 it had increased to 18,906,137*l.*, in 1883-4 to 24,934,147*l.* This increase, as might be expected, is most marked in the towns. During the ten years between 1873-4 and 1883-4 the rates in the metropolis had risen 60 per cent., those in urban districts outside the metropolis had risen about 52½ per cent., while those in districts wholly or partly rural had only risen about 12 per cent.

All the funds required for the municipal government of the metropolis, the maintenance of its poor, and even the carrying out of improvements, are provided by a local rate levied solely upon the occupiers of land or houses within the district for which the local authority acts. The clearance of an insanitary area may have largely increased the value of the neighbouring property; the demolition of a nest of slums may have raised rents all round within a considerable radius; a Thames Embankment or a new street may have created an entirely new "unearned increment"; yet no contribution can at present be obtained from the owners of property benefited by the improvement.[3] The whole charge is thrown upon the

[3] There is an exception in the case of an "obstructive" building removed under 45 and 46 Vic. c. 54, s. 8. This is useful as a precedent.

rates, which (except on houses of low value) are almost invariably collected from the occupier.

The objections to this system of rating are well known. It was strongly condemned by select committees of the House of Commons in 1866 and 1870, and by vote of the House itself in 1886. The owner of land or house property, whilst paying nothing directly, believes that he nevertheless bears the whole burden of the rates by receiving less rent. Nevertheless, as owner, he has usually no effective vote or representation in matters of local government.[4]

The poorer owners are therefore all the more hostile to public improvements, in that they find themselves powerless to control the waste or extravagance of local authorities. The "house farmer" and the owner of cottage or tenement property are almost uniformly found resisting all schemes of local improvement.

On the other hand the tenant, from whom the rates are collected, and who is still occasionally even imprisoned in default of payment, cannot be persuaded that he does not bear the whole burden. He cannot see that he obtains any reduction of rent when the rates increase, and when his tenancy is of any considerable length, it is obvious that all unforeseen charges do

[4] Owners may vote in the election of Poor Law Guardians, and in some cases under the Public Health Act, and as to sale, &c., of parish lands, &c. Owners have as such no vote in elections for County Councils; but peers owning property in the county are eligible for election without other qualification.

actually fall upon his shoulders. Although theoretically the normal burden of rates may partially diminish the rent, it is universally believed by occupiers that this is not the case. There is, moreover, considerable economic authority for the opinion that, by the operation of "economic friction" and the virtual monopoly in the case of certain sites, a large, though indeterminate, share of the rates really falls on the occupier. Such eminent authorities as the late Professors Fawcett, Cliffe Leslie and Thorold Rogers, Sir Thomas Farrer, and Mr. Goschen may be cited as agreeing in this view.

It is contended on behalf of the owners of property that the rates levied on the occupier really fall upon the owner's income, by diminishing the amount of rent which the occupier can or will pay. It may be observed that this argument goes equally to prove that it is the owner, and not the occupier, who pays the Inhabited House Duty, and even the Water Rate, charges which are universally believed to be borne by the occupier. The foundation of this argument is to be found in the following well-known statement of Ricardo (date 1817) :—

"A TAX ON RENT would fall wholly on the landlords, and could not be shifted to any class of consumers. . . . It would *leave unaltered* the difference between the produce obtained from the least productive land in cultivation and that obtained from land of every other quality."—*Political Economy*, ch. x.

It may, however, be observed that Ricardo was

dealing merely with a theoretical problem of economic science as between the landowner and the consumer of wheat, and was assuming the impossible conditions of perfect frictionless mobility, absolutely free competition, and universal omniscience. Only under such unreal conditions, on an average of cases, and "on the long run," would even Ricardo have contended that rates necessarily fall on the landlord.

John Stuart Mill thought that, in the case of rates on house property, "nearly all the tax falls on the occupier." But it is now usually contended, on behalf of the landlord, that rates upon house-rent fall in the same manner as rates upon ground-rent—viz., upon the owner, by diminishing his rental income.

It must be admitted that there is some partial truth in this contention. The payment for the hire of a house varies according to the relative demand and supply of houses of competing convenience, and the tenant theoretically cedes to the landlord merely the pecuniary equivalent of the superior advantages of his house over those to be had at a nominal rent. Those advantages are reduced by the obligations to pay heavy rates, and it may be taken for granted that London rentals, for instance, would be somewhat higher if all the rates were abolished.

No warrant can, however, be obtained either from the political economists or from common experience for the landlord's contention that the difference in

rental would be exactly equivalent to the variation in the rates.[5]

The demand made by the rate-collector on the occupier has to be satisfied by him, whether he makes a good bargain with his landlord or not, and there is abundant evidence to show that where the tenant is not authorized to deduct the rates from his rent (as with the Income Tax, Schedule A), he often bears the greater part of the burden himself.

Still more likely is he to have to bear any increase in the amount of the rates. In the case of lessees, and other tenants for terms of years, every unforeseen charge falls entirely on the tenant, and it is seldom that a rise in the rates is foreseen and allowed for. In shorter tenancies the tenant might theoretically be led to demand a reduction of rent proportionate to the increased rate. It may, however, be doubted whether such a case has ever occurred.

Moreover, even if it could be supposed that the occupier could in all cases shift the burden of the rates, it is unfair to throw upon him the onus of having to make that adjustment.

A new tenant is usually ignorant of the exact amount of the local rates, whether there is any appreciable Land Tax in that parish,[6] and what pro-

[5] See the evidence given on this point before the Town Holdings Committee in 1890.

[6] The Land Tax, nominally 4*s.* in the pound on the gross

bability there is of the rates being raised or lowered. He cannot usually deal on equal terms with the better-instructed landlord. He is seldom in a position to make any trustworthy estimate of the future financial position of his parish. He cannot possibly foresee what new and unexpected charges (such as the Education Rate) Parliament may throw upon the local finances, or what new collective duties public opinion may impose upon the local authority.

Even if it could be supposed that the tenant normally obtained a reduction of rent equal to his rates, the burden of the actual payment of the money must not be overlooked. It is impossible to assert that the inconvenience and burden of paying the rates do not fall upon the occupier when every half-year numerous occupiers have their goods seized and sold for rates, and some are even committed to prison in default of payment. It can scarcely be denied that every increase in the rates tends to increase the number of these unfortunate cases, in which it is scant consolation that the rent has been theoretically reduced in proportion to the tenant's assumed hypothetical estimate of the future rates.

valuation, varies from nothing at all, as in Paddington, to 11*d.* in the pound in St. Anne's, Soho, and 1*s.* 3*d.* in the pound in St. Paul's, Covent Garden. This has, in London, almost invariably to be paid by the occupier, and its unequal incidence, no less than the mystery and imperfection of its assessment, constitutes another London grievance.

The popular objection to any increase of the rates must therefore be held to be largely warranted by the real facts of the case. The rates are very likely to fall largely on occupiers.

The shopkeeper, the publican, and other tenants occupying premises of value disproportionate to their net incomes, feel accordingly that an altogether undue share of the cost of Local Government is thrown upon them, and they usually resist new charges.

Under these circumstances it has often been proposed that the occupier should be empowered to deduct from his rent, either one-half or the whole of the rates levied upon him, just as he now deducts the Income Tax (Schedule A, or "Landlords' Property Tax").

"Thus if the rate on ground-values be five shillings in the pound, and an occupier pays a rent of 1000*l.* per annum for a building standing upon land whose ground-value is 500*l.* per annum, he will, as at present, pay the whole of the rates upon the premises (as well those upon the land as those upon the building), but upon paying his rent to his landlord he will be entitled to deduct at the rate of five shillings upon 500*l.*, i.e. 125*l.* in respect of the rate upon the ground-value which he has paid. He will thus himself only bear the rates upon the building. In order to insure that the landlord does not evade the payment of rates

upon the ground-value, it will of course be necessary, as in case of the Landlords' Property Tax, to declare that all arrangements to the contrary are illegal. This method of regulating the incidence of a tax is so familiar that it does not need to be discussed at length. It has been perfectly successful in the case of the Landlords' Property Tax, and its necessity and justness in cases where the tax is intended to fall upon the owners of land are so well recognized that there are abundant precedents for it in legislation, originating both with Liberal and Conservative Governments." [7]

The principle of the division of rates between owner and occupier is already acted on in Scotland and Ireland, and its adoption in England was strongly recommended by the Select Committee of the House of Commons on Local Taxation, in July, 1870 (H.C. 353), as it had previously been by the Select Committee of the House of Commons on the same subject in 1866.

In this way a fair contribution to the present expenses of local government could be obtained from the owners of ground-values without trouble, or the creation of any new machinery. The leaseholder, or other intermediate landlord, would, of course, be given similar rights as against the freeholder. Each rent-receiver would bear the rates in proportion to his share of the rent.

[7] Fletcher Moulton's "Taxation of Ground Values," p. 11.; and see Mr. Charles Harrison's letter in the *Daily News*, of August 13th, 1889.

But something more than a better incidence of existing expenses is required. Additional funds are imperatively needed, especially in London, to cope with the accumulated neglect of past years, and to grapple adequately with the problems of a growing city.

No additional funds for better municipal government or schemes of local improvements can be raised by rates upon occupiers. No proposal involving an increase of the present rates would be accepted in London. Any such scheme would meet with great resistance in the provincial towns. In the rural districts the opposition of the farmers would, as things stand, be absolutely fatal.

No proposal for indirect taxation, such for instance as a local *octroi*, or a "Coal and Wine Duty," would be acceptable to the public or sanctioned by Parliament. No further transfer of present national taxes to local purposes can be expected.

There is accordingly no alternative but a tax upon the owners of property.

Nor does such a tax need much justification. At present, owners do not, as such, contribute directly to any local charges. In London and other urban centres where the need for additional resources for the local governing body is most obvious, the aggregate rental of land and house property has been largely increased by the very growth of population and over-crowding of the poor, which makes further

collective action necessary. It may fairly be claimed that the cost of any necessary public action towards such expenses as improving the dwellings of the poor or providing for open spaces or sanitation should be a first charge upon the "unearned increment" of land-values in large cities.

There are two main methods of taxation of house and land property, viz., an annual rate falling upon the owners, and a duty on transfer by death. Both these methods will probably be necessary in order to provide adequate funds for London's collective needs. The proposed "Municipal Death Duty" is dealt with in another chapter. The simplest way of levying an annual rate upon the owners of land and house property in any parish or borough would be to utilize the existing machinery of the Inland Revenue Department. The officers of that department already collect precisely such a rate in the shape of the Income Tax (Schedule A), or "Landlords' Property Tax." Although that tax is normally collected from the occupier, yet by the inalienable right given to him to deduct the amount from his rent, the real incidence of the tax on the owner is absolutely ensured. No Political Economist and no ratepayer even dreams that the "Landlords' Property Tax" falls anywhere but on the landlord. In a similar manner, all interests in the property are equitably and automatically reached, without trouble or friction.

Every person deriving an income from the property suffers a deduction in exact proportion to his income. Moreover, due provision is made for exempting from the tax persons having a total income of less than 150*l.* per annum, and for so far graduating its incidence as to relieve persons having less than 400*l.* a year from a portion of the burden.

It is therefore suggested that the London County Council or, indeed, any local authority should, subject to the approval of the Local Government Board, be empowered to call upon the Inland Revenue Department to collect, from all property assessed under Schedule A to Income Tax within the district, an additional penny in the pound, or such other sum as may be approved, to be levied in precisely the same manner as the "Landlords' Property Tax," and to be accounted for to the local authority in question. This proposal, which is that contained in the Bill of Mr. R. T. Reid, Q.C. M.P. for Dumfries, has the advantage of applying equally to the metropolis, provincial boroughs, counties and rural parishes. It requires no new machinery. It is simple and automatic in its operation. It makes due provision for the case of small owners, such as building society shareholders and peasant proprietors. And, finally, it is capable both of precise adjustment to the financial needs of each locality and of indefinite expansion.

Precedents for such a local addition to State taxes

exist abundantly in the United States and France. A precedent for the Inland Revenue Department assessing and collecting taxation on behalf of local authorities has recently been afforded by Mr. Goschen's action in connection with the transfer of the proceeds of licenses, &c., to local bodies.

An alternative proposal, suggested by Mr. William Saunders, L.C.C., and Mr. Fletcher Moulton, has received the support of the Land Taxation Committee of the London County Council. It is proposed—

(1). That in towns the land and buildings should be assessed separately according to their respective annual values.

(2). That the rates levied upon the land and buildings respectively, in accordance with these assessments, should be separate and distinct.

(3). That the rate levied upon the land should be borne by the owners of the ground-values, each such owner paying personally the rate upon the ground-values owned by him; and that to effect this in cases where the rate is collected from the occupier, each occupier or lessee should be entitled to deduct it from the rent payable to the landlord, and that all arrangements to the contrary should be illegal.[8]

At present, land covered with houses is assessed on

[8] Fletcher Moulton, "The Taxation of Ground Values," p. 8.

a single undivided valuation, and no statistics exist as to the annual value of the bare site. The actual rent reserved to the ground landlord in the building lease is seldom any guide. Mr. Fletcher Moulton observes that—

"Nothing has occasioned greater confusion in the minds of the public than the prevailing idea that these ground-values are necessarily the same as the ground-rents reserved by the landowner in his leases. Such ground-rents are arbitrary sums fixed by arrangement between the parties to the bargain, and may vary from a peppercorn to the full ground-value of the land. They form a part of the ground-value, but by no means necessarily represent the whole of it. When arranging the terms of the lease, it may have suited the purposes of the landowner to accept a premium in lieu of a larger ground-rent, or he may have been willing to accept a low ground-rent in view of contingent advantages. None of these matters affect in any way the *ground-value,* which is the *actual rental value of the land* apart from all question of what private arrangements may have been made respecting it by those who are interested therein."

The difficulty of making a fair valuation of land alone is often raised, but there is abundant expert evidence to show that it can easily be done. This method of reaching the owners of the site of London appears, indeed, admirably suited for adoption on the

creation of any new rate, or the undertaking of any new public work calculated to increase the "unearned increment." But as regards existing charges it may be doubted whether it affords as practicable an expedient for the relief of the tenant as the division of rates between owner and occupier, and as regards the levy of additional funds, it seems on the whole both more equitable and less difficult to obtain any new revenue by a "Local Property Tax," on the recipients of London's rental, whether their ownership be that of land or buildings.

Three other proposals for obtaining a direct contribution from the owners of London property deserve attention. The Royal Commission on the Housing of the Poor urged in their Report that land lying vacant should be made liable to its share of the rates. They pointed out that the owner of such land escaped, at present, all contributions towards the maintenance of the city which was daily making his land more valuable, and that he was, by his churlish greed, intensifying the evils of overcrowding.

"If this land were rated at, say, four per cent. on its selling value," the Commissioners continue, "the owners would have a more direct incentive to part with it to those who are desirous of building, and a two-fold advantage would result to the community. First, all the valuable property would contribute to the rates, and thus the burden on the occupiers would

be diminished by the increase in the rateable property. Secondly, the owners of the building land would be forced to offer their land for sale, and thus their competition with one another would bring down the price of building land, and so diminish the tax in the shape of ground-rent or price paid for land which is now levied on urban enterprise by the adjacent landowners, a tax, be it remembered, which is no recompense for any industry or expenditure on their part, but is the natural result of the industry and activity of the townspeople themselves. Your Majesty's Commissioners would recommend that these matters should be included in legislation when the law of rating comes to be dealt with by Parliament."

It is obvious that the argument of the Royal Commissioners goes beyond land technically "vacant," and absolutely unused, and that it applies to land in the neighbourhood of towns, which is being used for agricultural purposes, but which has a building value. The evidence taken by the London County Council shows that land of enormous aggregate value is in this position, assessed at merely nominal rentals as agricultural land, and thus virtually escaping taxation. A field of one acre worth 1000*l.*, may be assessed at a "gross annual value" of 3*l.* or 4*l.* only, and so contribute less than 1*l.* per annum in rates. If the valuation authority were empowered at its option to assess such property at not more than four per cent.

of its capital value, it is not easy to argue that any injustice would be done.

A minor reform has been advocated with great persistence by Mr. James Haysman. At present, the owners of houses which are vacant are excused from the payment of rates upon them. Various local Acts since the "Statute of Sewers" of 1427 support, it is claimed, the principle of collecting contributions from the owners even of empty houses, who benefit by the expenditure on police and sewers, lighting, paving and cleaning. Half rates are actually collected upon empty houses in the city of London, under local Acts of 1839 (Police Rate Act) and 1848 (Sewers Act). Various other parts of the metropolis formerly levied similar "half rates" under local Acts. It does not seem unfair that the present complete exemption from taxation of the owner of the land and premises temporarily remaining empty should be at once terminated.

A further proposal, that of "Betterment," was brought forward by the London County Council, in their Strand Improvement Bill of 1890, but was rejected by a Select Committee of the House of Commons. At present no special contribution towards the cost of a public improvement can be claimed from the owners of adjacent property benefited thereby. The rates have to bear the cost of every possible damage caused by the improvement, but they are not recouped by

any share of the increased value given to other property. In various American States and several of the Australian Colonies, power is given to the public authority to recover for the public benefit some of this special unearned increment.

One recent instance from the legislation of the Colony of New South Wales may suffice to explain the kind of powers which the London County Council claimed. Act No. XXX of 1890 of the Legislature of New South Wales is entitled "An Act to authorize and enable the Municipal Council of Melbourne to carry out the improvement of Moore Street within the said city *upon an equitable system.*" Sections 3 to 7, which show what is considered "an equitable system," are given in full in a note.[9]

[9] The Council is hereby authorized to purchase or resume all lands, and do all acts necessary for the purpose of widening Moore Street to a total width not exceeding one hundred feet, and otherwise carrying out the said improvement.

Before the Council shall commence to carry out such improvement, or shall resume any land for that purpose under the authority of this Act, the Council shall publish in the *Gazette*, and in two daily newspapers, published in Sydney, during four successive weeks, a notification, in which shall be stated the nature of the said improvement, and that a plan, showing the extent and position of the improvement area within which the owners of property liable to the City Rate will be contributors to the special improvement rate hereinafter mentioned, together with a list of the names of such owners, so far as the same can be ascertained, have been deposited at the Town Hall with the Town Clerk for inspection, free of charge, by any person interested therein; and such notification shall also give a detailed estimate of the cost of the said improvement, including the cost of the

Briefly put, the Municipal Council is empowered to mark out an "improvement area,'" owners of

acquisition of land necessary for carrying out the same, the amounts of, and dates of making, the repayments necessary to defray the whole cost thereof, together with interest at a rate not exceeding four pounds per centum per annum, and the period (not to exceed one hundred years nor to be less than fifty years in any case) over which such repayments will be spread, and the respective proportions, subject to the provisions hereinafter contained, in which the owners of property within the said improvement area, and the special Street Improvement Rate shall defray such cost, as aforesaid, shall also be specified in such notification. Provided that any owner may within such period make any repayment for which he is liable with interest at four pounds per centum per annum to the date of repayment.

The proportion in which the owners of property, situated within the said improvement area shall, subject to the provisions for appeal hereinafter contained, contribute to the cost of such improvement, together with interest as aforesaid, shall not in any case be determined by the Council at less than one-half of such cost and interest, and the balance shall be a charge upon and be paid out of the Special Street Improvement Rate: Provided always that it shall be lawful for the Supreme Court, upon any such appeal, to order that the proportion which owners of property shall be liable to contribute be reduced to not less than one-fourth of such cost and interest; and that the proportion thereof to be charged to the said Street Improvement Rate be correspondingly increased.

Within thirty days after the publication of such notification the Council shall cause to be made and deposited at the Town Hall with the Town Clerk an assessment book, in which shall be specified the amount which every owner of property situate within the said improvement area will be required to pay in respect of his property, as his share of the aggregate amount of the contributions of all such owners. And in determining such share, regard shall be had by the Council to the position of every such property, and the degree of permanent enhancement in its capital or annual value which the said improvement may reasonably be expected to produce. And the Council shall, during three successive weeks, publish in the *Gazette*, and in two newspapers as aforesaid, a notice stating

property within which are to be liable to a special Street Improvement Rate, the total sum to be raised

that such assessment book has been so deposited, and is open to the inspection, without fee, of all persons interested therein.

Within thirty days after the last publication of such notice as aforesaid, any owner of property assessed in such assessment book, or his attorney or agent, may give notice in writing to the Town Clerk of his intention to appeal to the Supreme Court against—

(i.) The inclusion of his property within the said improvement area; or

(ii.) The proportions in which the cost of such improvement with interest thereon as aforesaid, have been notified as chargeable on the property owners within the said area and the Street Improvement Rate respectively; or

(iii.) The amount or share of the contribution at which such owner has been assessed towards the aggregate contributions of the whole of such owners.

Provided that no such owner as aforesaid may appeal against the inclusion of his property within the improvement area, if such property abuts on or has a frontage to Moore Street, as authorized to be widened by this Act. The Supreme Court shall hear and determine every such appeal, and may make such order in respect to the matter, and to the costs to be paid by the appellant or the respondent, as to such Court shall seem just, and every such order may be enforced in the same way as a judgment of the said Court, and shall be absolutely final and conclusive. And such Court shall be lawfully constituted by the sitting of any Judge of the said Court, with or without two assessors, to be appointed by such Judge, but without a Jury. And the Judge by whom any such appeal shall be heard shall not have power to direct a reference to arbitration of any matter or question raised by such appeal. The giving of notice of appeal as herein provided shall not discharge any appellant from his liability under this Act until the appeal shall be determined, but the Council shall refund together with interest thereon at five pounds per centum per annum to the appellant any sum which the Court shall declare to have been paid to the Council without authority or in excess of the proper amount.

thereby being fixed by the Council, subject to appeal, at not less than one-half the cost of the improvement. This amount is then assessed on the property within the improvement area in proportion to its distance and the degree of permanent enhancement in its value. Disputes are to be settled by appeal to the Supreme Court.

That this system does, by a kind of rough equity, substantially meet the necessities of the case, is believed by every American and Australian citizen, but the Committee of the House of Commons in 1890 refused to sanction the adoption in London of the County Council's proposals in the same direction.

CHAPTER XVII.

LONDON'S FINANCIAL BUDGET.[1]

EVERY year the Chancellor of the Exchequer unfolds the National Budget, and for a few days even the most careless citizen pays some heed to the national finances. There is no London Budget, and accordingly not many Londoners have the least idea of the finances of their own town. Yet they pay more to their local authorities than they do to the Chancellor of the Exchequer. London local taxation is actually heavier per head than the national taxation, and of much more real importance to Londoners.

If London enjoyed a real municipal organization such as its importance deserves, there would be an annual Budget statement of its municipal finances, and the ordinary citizen would have some chance of understanding the accounts of his own town. It

[1] This chapter is reproduced, with slight additions, from an article which appeared in the *Star* of the 18th of February, 1888—before Mr. Ritchie's exposition of the Local Government Bill. Some of the proposals, which at the time were considered audacious, even for the *Star* of that date, have since become the commonplaces of the municipal reformer.

may serve to show how great are the interests involved if we throw the figures into the form of an imaginary "Budget Speech" of London's Finance Minister. We may assume, for clearness of statement, that a London Municipal Council has become the sole financial authority for the metropolis, incorporating within its accounts the finances of the District Councils, the School Board and Poor Law Council, and all the hundred and one subsidiary authorities now exercising their sway over the bewildered ratepayer. For convenience we take, in round numbers, the actual present cost of each department of municipal life, throwing in here and there a few of the earlier reforms to be expected from the reorganization of London.

Here then is the London Budget:—

My Lord Mayor,—As Chairman of the Finance Committee of the London Corporation, it falls to my lot to make the first Budget statement of the new municipal body. I will endeavour briefly to set forth the financial position of the Corporation, taking as the basis the actual statistics for the latest available year, and making only such slight alterations in amounts as are explained in each case.

London's Public Debt.

The loans outstanding at the beginning of the year amounted to the immense sum of 40,000,000*l.* (includ-

ing the London share of the loans of the counties of Surrey and Kent). The expected loan transactions of the ensuing year, which are considerable, will be presented in a separate statement, and I need add merely that the total capital amount of the municipal debt, great as it is, only amounts to about thirteen months of our annual rental. We pay nearly as much every year to the landlords for the mere privilege of living in London as we owe, once for all, to the municipal bondholder.

London's Public Revenue.

Besides the well-known "Queen's Taxes," Londoners have hitherto had to meet two main rates—or rather groups of rates—the poor rate and the general rate; and also to pay a most iniquitous *octroi* or municipal import duty on coal, corn, and wine, besides port dues on all river imports.

The amount of the poor rate last year was about 3,000,000*l.*; that of the general (and corresponding) rates about 4,500,000*l.* The coal duties (happily now abolished) formerly produced 560,000*l.*, but the only remaining taxes proper about 80,000*l.* (including port dues). Contributions from the National Revenue make up about 500,000*l.*, and miscellaneous receipts of the 150 local authorities (other than loans or capital repayments), about 2,000,000*l.*, making a total revenue of 10,000,000*l.*, or about 2*l.* 10*s.* per

head of the municipal population, exclusive of such minor items as "square rates," or the casual receipts of city wards or unreformed vestries. Neither does it include the incomes of the City Guilds, Gresham College, parochial or other public charities, or the ecclesiastical revenues. No city in the world has such a revenue except heavily-burdened Paris; no British Colony even comes within millions of its total; and outside the six Great Powers, the United States, China, and India there are in the whole world only five kingdoms which exceed it.

Turning to the estimates of expenditure for the ensuing year, it will be convenient to deal with the items in their order of magnitude, in the classification under which the various services are managed by the different public bodies whose precepts we have to honour, and by the different committees of the new Corporation.

The Poor Law Council,

now, happily, a single body dealing with the whole metropolis, reports that the 240 local Boards of Almoners, who actually administer the relief, together with the sub-committees for asylums, hospitals, and contracts, estimate that 2,700,000*l.* will be required for indoor and outdoor paupers, this being approximately the amount expended for these purposes last year. The principles laid down by the Central

Council for the guidance of the local Boards of Almoners will involve, as regards the infirm, the aged, and the temporarily unemployed, some relaxation of the harsh and unmeaning restrictions hitherto inflicted on our poorer brethren, but the increased expense thereby caused will be more than met by the savings expected from systematic uniform management.

THE SCHOOL BOARD

will need 1,350,000*l.* for its work, irrespective of the charge for interest and repayment of loans, now provided by the Finance Committee. This total includes, in addition to the amount spent last year by the School Board itself, the various Free Library Commissioners, and the City Corporation in education, the cost of the new teaching university for London, the sum of 75,000*l.* for the extension of evening classes throughout the metropolis, and the establishment of a small public library in each ward. The School Board propose, with the consent of the Education Department, gradually to extend the scope of the education given in the schools under their care, taking in manual training and industrial education, so as to provide (with the help of an organized system of continuation classes) for the complete training of every citizen. The Education Department has not yet consented to the total abolition of the vexatious and costly school pence,

but it is understood that no objection will be made by the Government to the recent decision of the Board. The power given to the Corporation has enabled it to carry out at once another much-needed reform, and the various Ward Councils report that the arrangements for giving breakfasts to those children who need them, in order that the expensive teaching may not be wasted on hungry pupils, has already proved a distinct success. The Education Committee confidently anticipate that the bulk of the cost will be recouped by the extra grant earned by the greater proficiency of the children.

As the School Board, like the Poor Law Council, is formed by independent election, I have, in this council, no further comment to make upon its work. But I may observe that the decision to place under the control of a single administrative authority the whole of the educational work of the metropolis, from the infant schools to the university, and from the crèche to the technical college, bids fair to make the "educational ladder" really open to all London's children, and to do something, in one city at any rate, to make up for the lamentable want of a genuine Minister of National Education.

I come now to the Committees of the Corporation itself.

The Finance Committee

is compelled to ask for 1,575,000*l.*, being approxi-

mately the total for last year, to provide for interest and sinking funds of London's funded debt. This item must inevitably increase as the work of the Corporation is extended; considerable economy will, however, result in the future, owing to the unification of authorities, as arrangements will be made to prevent the reckless borrowing for one service while repayments of other loans are actually being made at the same time. The whole of the borrowing for London will henceforth be managed by this committee, and I am happy to report that the consolidation of the various loans into one large stock has already been attended by a marked financial success, "London Consols" now ranking slightly above "Goschens."

The Police Committee

will require 1,750,000*l.* for the maintenance of the amalgamated police force of the metropolis. The refusal of the late chief commissioner to serve under this committee fortunately enables the committee to recommend the appointment of a successor free from the prepossessions of a military training, and the committee confidently anticipate that the thorough reorganization now in progress will prevent any future antagonism with the public. The estimate provides, in spite of economies, for the full amount of the total for last year, as the committee intend, at

tde request of the Ward Councils, adequately to protect the outlying suburbs, and to strengthen the Criminal Investigation Department.

THE THOROUGHFARES AND PARKS COMMITTEE

require 1,500,000*l.* for the maintenance and cleansing of the roads, streets, bridges, parks, and public gardens, and for such minor street improvements as are not chargeable to capital. This amount does not exceed the total spent in past years, but the committee are pleased to report that the supervision of the scavenging and repairing by the District Councils has everywhere produced a marked increase in the cleanliness and state of repair of the streets. The Dust Sub-Committee have been able (within the former total cost of 150,000*l.*) to organize an efficient staff of dust-removers, and thus fully to utilize the destructors already provided by various local authorities.

THE PORT AND RIVER COMMITTEE

will expend about 80,000*l.* on the management and improvement of the harbour and highway, which has proved so valuable to London. The transfer to the Corporation of the four great dock properties will be completed during the year, when the committee hope to be able, on the one hand to increase the shipping trade by the abolition of all port dues, and greatly to facilitate the discharge and warehousing of the

different kinds of goods, and on the other to organize the dock labourers into a disciplined brigade of regularly employed public servants. It is surprising that London should so long have delayed to follow the example of Liverpool, the Tyne, Bristol, Swansea, and other great ports in obtaining the control over its own river and dock accommodation. But it is even disgraceful that it should so long have tarried to take effectual steps to deal with the perpetual scandal of the labour scramble at its dock gates, with its constant deteriorating effect on the East End population.

THE LAW COURTS COMMITTEE

estimate only for 50,000*l.*, being approximately the cost of the City Law Courts last year, balanced by corresponding receipts, but if the petition of the Corporation be granted by her Majesty's Government the transfer of the police-courts throughout the metropolis, for which the provinces ought not any longer to be asked to pay, will involve a supplementary estimate on both sides of the account.

THE ARTISANS' DWELLINGS COMMITTEE

only ask for 50,000*l.*, being the same amount as was expended last year, in the construction of the only block of artisans' dwellings yet provided by any public authority in London. But in obedience to the

resolution of the new Corporation last month, the committee is already in treaty (under the compulsory powers given in the Corporation's Act) for the purchase of extensive sites, and the erection thereon of dwellings sufficient to accommodate all the inhabitants of the large areas of unhealthy slums recently scheduled for destruction, without compensation, as public nuisances.

The Establishment Committee

anticipate an expenditure of 400,000*l.* on salaries and incidental office expenses of the Corporation staff. This includes all the former clerical staff of the City, the Metropolitan Board of Works, the vestries, district boards, &c., but not that of the School Board or the Receiver of Police, whose salaries are still provided in the estimates of the respective committees. While already showing a considerable reduction from the totals of last year, the committee believe that considerable further economies can yet be made, and they intend to propose the establishment of a regularly graded Municipal Service, to which entrance will be gained by open competitive examinations conducted by the Civil Service Commissioners.

The Lighting Committee

propose to spend 250,000*l.*, the same amount as last year. They regret that they have been quite unable

to obtain any reduction in the exorbitant charges of the gas companies, but the close supervision of the district councils has already caused much improvement in the illumination obtained, and nine districts are already lit by electricity from their own installations. The approaching expropriation of the shareholders in the gas companies (expected to be completed by the end of the year) will enable the committee considerably to increase the lighting of the metropolis without increase of cost, and will cause various savings to be effected in directors' fees, gas-meter testings, &c., as well as in the interest paid to the capitalist.

THE DRAINAGE AND SEWERAGE COMMITTEE

requires 250,000*l.*, nearly the same as the total outlay last year, but this amount includes the final instalments of the cost of the chemical experiments ordered by the late Metropolitan Board of Works. The Corporation has already decided, on the proposal of the committee, to take steps for the utilization of the sewage on waste lands, and a large tract of sandy heath is about to be acquired on a perpetual lease for this purpose. The recent inspection of house drains, under the direction of the ward committees, has resulted in the discovery of hideous cases of neglect, often in expensive mansions, but chiefly in the poorer tenement houses. These defects are

rapidly being remedied, at the cost of the landlord in each case.

THE FIRE BRIGADE COMMITTEE

propose to expend 200,000*l.*, being an increase of 80,000*l.* on the outlay for last year. The insufficient protection of London from fire has long been a public scandal, and the committee strongly urge that they may be allowed in this way to second the zealous efforts of their energetic fire commander, Captain Shaw. The insurance companies will contribute an increased contribution, and something will also be saved by the Corporation becoming its own insurer, a step now warranted by the fact that the property owned by the citizens of London, including the schools, public offices, &c., is now valued at about 10,000,000*l.*

THE MARKETS COMMITTEE

will expend at least 200,000*l.*, the total of last year, as they will have under their charge much more than the City and Southwark markets, but their annual receipts more than cover this outlay. The recent munificent generosity of the Baroness Burdett-Coutts and Mr. Samuel Plimsoll in conveying the freehold of their markets to the London people free of charge is about to be followed by two other leading private market owners. I am proud to be able to announce that the Duke of Bedford (with the consent of the Marquis of Tavistock) is about to transfer to the

Corporation, free of cost, his valuable market at Covent Garden, with all its privileges. This noble generosity has been imitated by Sir Julian Goldsmid and his co-owners in regard to Spitalsfield Market. I am sure that the Corporation will unanimously agree in cordially appreciating the public spirit which has led these owners to recognize the essential injustice of any private taxation of the food of the people, and to prove that they have long been waiting only for the creation of a worthy London government to abandon their private monopolies.

The Public Buildings Committee

has had much work in arranging the numerous public buildings of the old boards, vestries, &c., for the use of the ward councils, but they do not propose to expend this year more than 100,000*l.* (the amount spent last year) on new buildings, repairs, and alterations. All the schoolrooms, halls, and other buildings under the Corporation may now be hired when not in use for any meeting or other public purpose, under reasonable restrictions, at moderate charges.

The Burials Committee

will need 30,000*l.*, the amount spent by the former Burial Boards of the metropolis. The transfer to the Corporation of all the cemeteries still in use is now in progress, and no private speculator will henceforth

be allowed to make a profit out of the interment of London's citizens. The Public Crematorium at Woking is coming quickly into favour, and others are about to be constructed by the committee in various outlying parts of the metropolitan area, the increasing voluntary use of which will, it is anticipated, obviate any further extension of the existing cemeteries.

THE WATER COMMITTEE

will only require about 5,000*l.*, chiefly for the continuance of the experimental artesian boring commenced by the late City Corporation. The committee is, however, in active negotiation of a really efficient water-supply, partly from wells in the chalk and partly from a Welsh lake. The reservoirs, mains, and pipes of the existing water companies will, in due course, be taken over at their actual value and used for the new supply, which will be constant, and free of rate or other special charge to all the inhabitants within the metropolitan area.

THE TRAMWAYS COMMITTEE,

having only just been constituted, presents no estimate, and will be occupied mainly in arranging for the early transfer of all the tramways to the Corporation. It having been clearly proved that in no other way could the fearful overwork of the tramway employés be stopped, the Corporation felt

bound to intervene to prevent this tyrannous misuse by wealthy companies of the public monopolies entrusted to them. The purchase of the companies' concessions at the actual value of the plant and stock employed will enable the committee to reduce the hours of labour to eight per day, to make penny fares absolutely universal, and yet fully to meet the interest and sinking fund on the necessary loan.

The General Committee,

which takes charge of all minor services, and those not dealt with by separate committees, will require 300,000*l*. This amount covers the cost of registration, vaccination, jury revision, electoral revision, contagious diseases (animals) regulations, and many other services formerly undertaken by various local bodies at about the same cost.

As regards the immense quantity of stores and supplies of every kind annually used by the Corporation, it may here be conveniently mentioned that, in pursuance of the resolution lately passed, the General Committee is making arrangements for the Corporation to become as far as possible its own manufacturer. Wherever it is possible to prevent it, no private employer shall use the Corporation money as a means of exploiting labour; and where resort must necessarily be had to private enterprise, only firms on the trade unions' list of fair and honest employers will be

allowed to tender. The London people rightfully declare that the cheapness obtained by grinding down the worker is the price of blood, and they will have none of it. All Corporation servants already work on the eight hours system, and receive full trade union rates of wages. No contract whatever is allowed to be sub-let. The committee is glad to report that the example of the Corporation is rapidly making these conditions universal throughout the country.

Total Expenditure.

The aggregate amount required by the estimates of the various committees, including the precepts of the Poor Law Council and the School Board, but apart from loan expenditure, is 10,790,000*l.*, an amount hardly in excess of the sums hitherto spent on the much less efficient administration of the former multiplicity of authorities.

London's Future Revenue.

For the ensuing year we can count on miscellaneous receipts of about 1,800,000*l.*, including market dues, port dues, court fees, &c., and the Government grants of about 500,000*l.*, the grant for the police having, of course, ceased with the Home Office control over that body. This leaves about 8,500,000*l.* to be provided by taxation. The recent general revision of the valuation by the Assessment Committee leaves the

aggregate rateable value at just under 35,000,000*l.*, so that, allowing for empties, a total rate of 5*s.* in the pound will be required. According to the decision of the Corporation one-half this rate will be charged upon the landlords, each in proportion to his rental interest, and separate receipts will be given for it, in order that the occupier may deduct its amount from the next rent due from him, as he is empowered by the new law to do, "any agreement to the contrary notwithstanding." The taxation upon occupiers will therefore be only a single

HALF-A-CROWN RATE,

in place of the various rates hitherto levied, varying from 4*s.* in the pound in some districts to 7*s.* in others, in addition to the coal duties and a multitude of smaller imposts. The increased efficiency thus given for a much smaller contribution may be taken by the Londoner as a mere instalment of the reforms to be expected from the present genuinely democratic Corporation.

CHAPTER XVIII.

THE UNEARNED INCREMENT.

Besides the annual rental, the owners of London receive a continual stream of wealth in the "unearned increment" of value constantly being added to their property.

The annual rental of the metropolitan area at the re-valuation in 1886 was about 37,000,000*l.*, representing a saleable value, if only fifteen years' purchase be taken, of 555,000,000*l.* In 1870 the annual rental was only 22,000,000*l.*, equal to a saleable value of 330,000,000*l.* The total increment during those sixteen years was, therefore, fifteen millions a year rent, representing a growth in saleable value of no less than 225,000,000*l.* A large part of this increased value was, however, caused by expenditure on new buildings. The suburban districts have been filling up, and the central districts have been extensively rebuilding. Fortunately the annual revision of the valuation list enables us to distinguish between new buildings (together with any structural alterations to old ones)

and the rise in rent of unaltered land and buildings. We are thus able to ascertain separately, from official figures, the annual growth from this cause in all years except those of the quinquennial re-valuation. As those periods have no influence on the building trades, it is fair to assume that the average of the other years applies also to them; and thus we have the total growth in rental caused by building operations very accurately ascertained. Errors of valuation no doubt occur; but these may be assumed to balance each other; and no one can pretend that London is, on the whole, even now over-assessed. Any additional growth must have been due to intensified demand for existing buildings, caused by increasing population, by the advance of London as an industrial centre, and by the helpless condition of the London poor. All landlords do not benefit equally; but from the point of view of the community at large this annual net increase is a real "unearned increment." How much it amounts to, the table given here, compiled from the Local Government Board's Report, will show.[1]

During the seventeen years under review the "building increment" amounted on an average to 549,508*l.* annually. But the population of London increased during this same period by nearly two per cent. per annum, a fact which may partly account for the other increase in value, the mere rise in rent of

[1] C.—5526, p. clxxxi., and previous issues.

unaltered tenements, or "unearned increment," which amounted to an average of 304,634*l.* every year. The statistics of the valuation of 1891 are not yet complete, but it is already known that they show a further large increase, which will make the "unearned increment" of the last five years not less than that of the period for which statistics are given.

On 6th April.	Gross Valuation (annual rental).	Total Increase.	Increase due to new buildings (annual rental).	"Unearned Increment" of annual rental.
	£	£	£	£
1870	22,142,706	...	...	...
1871	24,103,083	1,960,377	*549,508	1,410,869
1872	24,388,000	284,917	284,917	...
1873	24,756,711	368,711	368,711	...
1874	25,148,033	391,322	391,322	...
1875	25,571,366	426,333	426,333	...
1876	27,602,649	2,028,283	*549,508	1,478,775
1877	28,464,833	862,184	862,184	...
1878	29,027,795	562,962	562,962	...
1879	29,682,269	654,474	654,474	...
1880	30,421,071	738,802	738,802	...
1881	33,384,851	2,963,780	*549,508	2,414,272
1882	33,855,917	471,066	471,066	...
1883	34,470,725	614,808	614,808	...
1884	35,100,704	629,979	629,979	...
1885	35,689,244	588,540	588,540	...
1886	37,027,516	1,338,282	*549,508	788,764
		14,884,810	8,792,130	6,092,680
	Increase of 12 ordinary years ... 6,594,098 Increase of 4 quinquennial periods ... 8,290,712 Total Increase for London ....£14,884,810†		*Estimated at average of the other 12 years.	Average unearned increment during 20 years, £304,634

† The "City" of London alone increased in rateable value sevenfold between 1801 and 1881, viz., from 507,372*l.* to 3,535,494*l.*; or from 760*l.* per acre per annum to 5300*l.* per acre per annum ("Encyclopædia Britannica," Vol. xiv., pp. 820, &

The capital value of this annual increase to the estate of the London landlord—an annual New Year's gift from London labour to London wealth, amounting to some four and a half millions sterling—now goes practically scot-free of taxation. Not only is no special contribution claimed from the recipients of this peculiar monopoly tribute, but even the ordinary rates and taxes pass it by. Great part of it can be directly traced to such municipal enterprises as new streets, the Thames Embankment, and the freeing of the bridges; but towards the enormous cost of these improvements the recipient of the "unearned increment" contributes no single penny. When he takes his profit periodically in hard cash, as in the case of the fines or premiums for renewals on the Grosvenor and Portland estates, not even the ordinary income tax is levied on what becomes in these instances virtually a source of regular income.

This kindly favour is all the more inexplicable when we remember that lords of the manor are compelled to return the fines from their copyholds as part of their incomes, and that they are duly taxed, though not rated, upon their average receipts from this source.

London landlords are, indeed, in this matter

832). The proportion of the rental value of the bare site to that of the erections upon it is here much more than two-fifths.

taxation of their growth in wealth, placed in the same favoured category as the Queen and the foreign ambassadors. The tax-collector and the rate-collector pass by their doors as if their yellow gold were the sign of the plague, and, as in some fever-stricken city, only Death knocks at their portals. Only on transfer at death does the "unearned increment" ever acknowledge any liability to taxation, and then only under the most lenient of assessments, and with every possible advantage to the fortunate heir.

This is not the place in which to deal with the "unearned increment" in other urban centres, but the question is, of course, not merely metropolitan. Leeds has doubled its population during the last thirty years, and has trebled its annual rental value. Lord Derby reaps the pecuniary benefit of any improvements made by the inhabitants of Bury and Bootle, whether individually or collectively, just as certainly as if he had paid for them himself—with much more certainty, indeed, than he would if his lordship were one of the hod-carrying labourers or brain-weary engineers by whose labour the improvements are actually executed. Lancashire increased in rental value from 10,029,967*l.* in 1866 to 18,595,992*l.* in 1889.

It must, of course, not be imagined that the "unearned increment" on land values is reaped exclu-

sively by the large landlord, or even by the freeholder at all. Some of the increase in value goes into the pockets of small owners, and much is temporarily enjoyed by leaseholders, copyholders, tenants in "beneficial occupation," and other varieties of the landlord genus. But only in those exceptional cases in which the land is public property, does the community as a whole obtain the benefit of what the community as a whole has produced.

What this question means to London can easily be understood.

The total "unearned increment" during this period (up to the last general valuation) is thus seen to have been 6,092,680*l.* in annual rental, representing a capital value of over ninety millions sterling.

It amounts to one-sixth of the total value of London. This is what we have deliberately allowed the London landlords to receive, over and above their annual tribute of rent, during the short space of twenty years. This is the princely gift of the London worker to the London landlord.

Let us see what we might have done with it if we had listened to the political economists, who warned us that it would happen. If the existing land-tax of four shillings in the pound had, in 1870, been levied on the landlord at the current valuation (instead of upon that of 1692) it would hardly have deprived him of any of his then income: his total payments would

have been only slightly in excess of the unearned increase brought to him by London's growth. During the last twenty years just about 90,000,000*l.* has been levied in London by rates. If the landlord had been compelled to pay every farthing of these rates (in addition to anything he may now indirectly bear) he would be as well off now as he was twenty years ago.

The average rise of London rent (on unaltered buildings) is seen to have been 304,634*l.* per annum, or 1·03 per cent. on the average valuation. This annual rise in rent represents (at fifteen years' purchase) an annual addition to the capital value of the estates of the London landlords of about 4,500,000*l.* This is our annual "New Year's Gift" (in addition to the 37,000,000*l.* annual tribute of rent) to those who do us the favour to own London. The total rates levied annually amount now to 7,562,310*l.* (1887-8, see House of Commons Returns, No. 126 of 1889), and must inevitably increase with the cessation of the coal dues, the growth of social compunction, and the extension of corporate activity. Would it be anything but bare justice to attempt to absorb, in order to meet this deficit, the whole of the 4,500,000*l.* annually added to the value of London? A landlord's rate of half-a-crown in the pound on the "rateable value" would realize not quite this amount. Even then the landlord's contribution out of his existing rent would not

be increased. The "landlords rate" would have to be deductable from the rent or mortgage interest, in the same manner as "Property Tax" (Income Tax, Schedule A), "any agreement to the contrary notwithstanding."

One final suggestion may be added. If the 15,000,000*l.* total increase in London's rental value during twenty years of enormous building operations is divided so that 9,000,000*l.* is due to them and 6,000,000*l.* to "unearned increment," we may hypothetically infer that a similar proportion holds good of the total rental value. In that case, out of the annual rental of 37,000,000*l.*, we may estimate that 22,000,000*l.* is for buildings, and some 15,000,000*l.* for "ground rent"—our annual payment for permission merely to occupy the swampy marsh by the Thames, which London labour makes so productive.

How this "unearned increment" can be gathered into the coffers of the community, instead of going to enrich individuals, is one of the most pressing fiscal problems for financiers. The sharing of the rates, in the way in which the Income Tax (Schedule A) is now shared, among all persons deriving income from the premises, is one way of lightening the landlord's purse. The separate valuation of land, and its special taxation, finds favour with another set of reformers. A "Municipal Death Duty" on immovable property, is suggested in a separate chapter. Mr. R. B. Haldane,

Q.C., M.P., lends his high legal authority to a Bill for enabling County Councils to value lands to-day, and retain the option of purchasing them at a future time at a price from which every fragment of unearned increment shall be excluded, but which shall be increased by the value of any improvements subsequently made by the owner. All these measures are but steps towards the municipal ownership of the soil, without which a growing city cannot escape spoliation.

CHAPTER XIX.

A MUNICIPAL DEATH DUTY.

NOTWITHSTANDING all complaints, session after session closes without any reform of local taxation. The system reported against by Select Committees in 1867 and 1870, denounced by such diverse authorities as John Stuart Mill and Mr. Goschen, and condemned by the House of Commons itself in 1885, remains in 1890, not only in full force, but, by the increased burden of the rates, even intensified in its inequitableness. Although local expenditure has since expanded into a complicated budget, now reaching in aggregate amount more than half that of the Chancellor of the Exchequer, local revenue still consists, in the main, of that rate upon occupiers which formed in every town one of the earliest devices of the purchasers of the borough dues from an Angevin king. The permanent pauper population of nearly a million is still maintained from the simple levy upon occupiers which was ordered by the celebrated Acts of Elizabeth. London, with its aggregate municipal revenue of ten millions sterling, collects four-fifths

of this amount by the same obvious expedient. Whilst its expenditure budget has become that of a kingdom in magnitude and comprehensiveness, its sources of revenue resemble in simplicity those of a borough of the time of Henry II., or a rural parish of the last century.

London has, indeed, a special grievance in the matter. Not only is the untaxed "unearned increment" greater in the metropolis than elsewhere, but the separation of the property interests of land-owner and house-occupier has there been carried to a degree unknown in most provincial towns. The "occupying owner"—the typical burgess of the Middle Ages—is in London practically unknown, and the universal prevalence of a system of terminable leases has necessarily forced to the front the question of a more equitable incidence of the local rates. Hence the essentially metropolitan agitation for the taxation of ground rents and values. Hence the attempt of the London County Council to incorporate in their improvement schemes the principle of "betterment," and their refusal to undertake any further municipal works at the expense of the occupier alone. But neither Liberal nor Conservative statesmen exhibit any real disposition to allow London's expenses to be charged against those who draw an annual revenue of nearly forty millions sterling from London rents.

Some expansion of London's fiscal resources is,

however, absolutely indispensable. The taxation of the occupier has reached a point at which any increase far outweighs in the popular view even the most necessary improvement. London's fifty years' arrears of municipal government cannot be longer neglected with impunity. The water question is becoming imminent; the provision of improved dwellings for London's million poor is admittedly a crying necessity. Sanitation, open spaces, street improvements, all stand ready profitably to absorb as much money as London can possibly allot to them. Technical education needs to be provided for London's apprentices. The new District Councils must inevitably be as clamorous for financial reform as the London County Council. The probable "Hospitals Board" of the near future will doubtless soon need a "Hospital Rate." The future Metropolitan "Poor Law Council" will call for increased funds for a more scientifically generous treatment of the awful army of London's pauperism. The complete "municipalization" of London cannot, indeed, be accomplished without a development of London's collective finances similar in importance to that which the English provincial towns underwent half a century ago.

Such a development is usually sought, in London as elsewhere, in the division of rates between owner and occupier, and the special rating of ground values. But although these proposals assert an excellent

fiscal principle, it is doubtful whether any large addition to local revenues could rapidly be obtained from them without causing such a depreciation of the value of property as would inevitably be regarded as confiscation. Municipal reformers therefore have begun to adopt the suggestion of a "Local Death Duty."[1] The comparative failure of the Artisans' Dwellings Acts and the general neglect of London's collective duties are largely to be attributed to the present system of rating. Local authorities are not disposed to increase expenses which fall exclusively upon occupiers, whilst owners resist all operations of a local governing authority on which they are not represented. But even an annual tax on owners is likely to be insufficient for our rapidly growing collective expenditure. What London needs is the power of levying a local addition to the existing Probate and Succession Duties upon the land and house property within its area.

At present the Inland Revenue Department collects as Death Duty, upon land and house property, the following separate charges.

1. Probate Duty upon leaseholds.
2. Succession Duty, in percentages varying accord-

[1] See Report of the Finance and Compensation Committee of the Conference on the Housing of the Poor, National Liberal Club (Secretary, J. Theodore Dodd, 20, Old Buildings, Lincoln's Inn).

ing to the relationship of the successor, upon freeholds and copyholds and leaseholds.

3. Legacy Duty, upon freeholds and copyholds in trust for sale, or belonging to commercial partnerships; and also upon shares in public companies owning such property.
4. Corporation Duty,[2] by annual tax of 5 per cent. on the income of property held by certain corporate bodies.

The "Account Duty" and "Estate Duty" need not here be referred to.

At first sight it appears desirable to follow the analogy of the proposed "Local Property Tax," and to suggest that the "Local Death Duty" should be simply an addition, say of one-fourth, to whatever Death Duties of any kind might be payable upon land or house property situated in the district in question. Such a plan would avoid many difficulties of exposition, but it appears likely to create others in practice, and it may, perhaps, be unworkable. No separate valuation is made of land and house property in different localities when owned by corporations, or as partnership property. No distinction of the locality of each portion of the property is made for Probate or Succession Duty purposes, and in the latter case, no capital valuation of the property is made at all but

[2] Under 48 and 49 Vic., c. 51, s. 11. The exceptions are numerous including Charities.

only of the successor's life interest. The matter is further complicated by the fact that Legacy and Succession Duty are levied upon a scale varying according to the consanguinity of the legatee or successor, whereas Probate Duty is charged at a uniform rate.

Another precedent appears to be afforded by the "Estate Duty," created by Mr. Goschen in 1889.[3] This was a new and separate duty of 1 per cent., levied upon all estates of personalty over 10,000*l.* in value, irrespective of and in addition to all the other Death Duties. A simple method of providing funds for London improvements by a Death Duty would be to empower the County Council to call upon the Inland Revenue Department to collect a "Local Real Estate Duty," of so much per cent. upon the capital value of all interests in land and house property in the metropolitan area, on each occasion when such interests pass by death, irrespective of whether such interests are freehold, copyhold, or leasehold; whether the succession be absolutely terminable or in trust; whether the successor be related to the deceased or not. It would be advisable, both for the sake of avoiding trouble in collection and as part of the general fiscal policy to the time, to exempt all estates of which the aggregate value does not exceed, say 1000*l.* And, as the intention of the proposal is rather

[3] 52 Vic., c. 7., ss. 5, 6.

to reclaim for the public a portion of the property left by the deceased than to tax his heirs or legatees, the "Local Real Estate Duty" should be made payable by the executor or administrator in the same manner and at the same time as the existing Probate and Estate Duties.

Such a "Local Real Estate Duty" would not be troublesome to collect. It would merely be necessary that the Inland Revenue Department should require a new form to be filled up, showing whether the deceased died possessed of any interest in land or house property in London. The valuation of any such interests would be easily made, if it had not already been done, from the particulars afforded for Probate or Succession Duty purposes.

Property owned by corporations, and not applied for charitable purposes, would have to be reached by an addition to the existing Corporation Duty; and a similar duty would have to be imposed upon property held by joint stock companies.

A local "death duty," not common to the whole kingdom, is perhaps a somewhat startling novelty to the English mind; but the United States affords precedents of special death duties in particular States, and variations in local rates are familiar to everyone. Both France and America abound in instances of the addition of local levies to national taxes; and Mr. Goschen himself has shown us, in his licence arrange-

ments, how easily Somerset House can become the collector for a town council or an urban sanitary authority.

A death duty appears, indeed, to offer the best means of getting at that long-yearned-for treasure of fiscal experts, the "unearned increment." Over four millions sterling is annually added to the capital value of London, merely by its inevitable growth in population. Probably half as much is yearly added to the value of the land of Lancashire. This annual "new year's gift" of Industry to Ownership bears, at present, no share whatsoever of the local expenditure by which it has been largely created. The difficulty of assessing an equitable annual tax upon each particular property, in exact proportion to its "annual increment," appears to be absolutely insuperable. But a death duty falls, on an average, only once in twenty years, and, if moderate in amount, might reasonably be regarded as a commuted contribution from the average increment of the town and period. Such a plan avoids, moreover, the difficulty created by the existence of the innocent recent purchaser, who himself would pay nothing. It is not found, in practice, that the saleable value of property is diminished by the prospect of a death duty, although it may easily be lessened by an increase in annual taxation. A death duty is therefore exclusively a tax on heirs and legatees, who have no vested rights; and, as may be

suggested to timid Chancellors of the Exchequer, have seldom even conscious existence as prospective legatees, and may therefore be regarded as possessing neither votes nor capacity to hold an indignation meeting. A contribution of only ten per cent. of London's unearned increment would yield nearly a whole Peabody donation every year. A local death duty of only one per cent. would cover the entire charges of the Metropolitan Asylums Board.

The proposal to reinforce the revenues of local authorities by a share in the Death Duties has been made easy of acceptance by Mr. Goschen's alienation of half the Probate Duty. Mr. Goschen's financial arrangements appear to be all destined to early revision, and it may well prove to be best to reclaim for the National Budget the whole of the Probate Duty, whilst abandoning to the local authorities the whole of the Succession Duty. But whatever plan is adopted it is essential that the forthcoming reform of local taxation, to which the next Liberal Administration is pledged, should be no mere rearrangement of existing taxes, but also a real development of the revenue side of our local budget. The simplicity of our rating system is dearly purchased at the price of its want of equity and lack of expansiveness. Historical reasons explain why the State of Pennsylvania can impose upon itself for local purposes a special death duty, and why what is virtually the State of London has

power only to impose an annual rate. But there is no essential distinction between those imposts which are devoted to national purposes and those which are left as resources to the local authorities. Many cases occur of contemporaneous common use of one and the same tax. The exceptional necessities of our great cities present a fiscal problem which is absolutely without historic precedent. The full development of local self-government can hardly be reached without some expansion, on the revenue side of municipal finance, of that rate on occupiers which is essentially still the burgess's "scot and lot" of the Middle Ages. Towards that expansion the proposal of a Municipal Death Duty appears to be the most effective contribution.

CHAPTER XX.

LONDON AS IT MIGHT BE.

THERE is always something useful in an ideal, however imperfect or distant it may be. Even in the prosaic business of municipal administration, what we desire has a very close connection with what we accomplish. The metropolis indeed, sadly needs an ideal in municipal organization.

Let us consider for a moment the "London as it might be," without indulging in any dream more Utopian than that of seeing done in the metropolis what is accomplished elsewhere, or is but an obvious extension thereof. The hope of the future for dense urban communities admittedly lies in the wise extension of collective action. By himself the typical Londoner is a frail and sickly unit, cradled in the gutter, housed in a slum, slaving in a sweater's den, and dying in the workhouse infirmary. Collectively he is a member of the greatest and most magnificent city which the world has known, commanding all the latest resources of civilization, and disposing of almost boundless wealth. Accepting the principle

of "Municipal Co-operation," which has proved so advantageous in the larger provincial towns, what can Londoners as citizens do for themselves collectively to make the metropolis a pleasanter home for its million families?

"All things come from water," says the municipal Thales, and we may as well begin with that. We see in imagination the County Council's aqueducts supplying London with pure soft water from a Welsh lake; the County Council's mains furnishing, without special charge, a constant supply up to the top of every house; the County Council's hydrants and standpipes yielding abundant cleansing fluid from the Thames to every street. All this, however, makes up but the rudiments of municipal water service. When every parish has its public baths and washhouses open without fee, every Board school its swimming-bath and teacher of swimming, every railway station and public building its drinking fountain and basin for washing the hands, every park its bathing and skating ponds—then we shall begin to show the world that we do not, after all, fall behind Imperial Rome in this one item of its splendid magnificence. By that time the landlord will be required, as a mere condition of sanitary fitness, to lay on water to every floor, if not to every tenement, and the bath will be as common an adjunct of the workman's home as it now is of

the modern villa residence. And just as in some American cities hot water and superheated steam are supplied in pipes for warming purposes over large areas, we may even see the County Council laying on a separate service of hot water, to be drawn at will from a tap in each tenement. Why should London's million families waste their million fires every time hot water is needed?

The economy of fuel leads, indeed, to the municipalized gas supply, then laid on, as a matter of course, to every tenement, and used, not only for lighting, but still more largely for cooking, in the stoves supplied at a nominal charge. With gas as the main source of domestic light and heat, most of London's smoke will disappear, and the rest will go when gas (or water under pressure) is used as the source of power for London's forty thousand workshops. Its thirty thousand factories will, by that time, really be compelled to consume their own smoke, and even the brightest of vermilion pillar-boxes may then no longer seem too gaudy for our repainted streets. Bright is the future, indeed, for the painter. We may even hope to see some kind of system in our present anarchic individualism of house-painting, and just as Regent Street to-day is repainted all at once, so some kind of street or ward committee may protect the public eye from the nuisance of absolute incongruity of date or hue.

For by that time our nights will be as those of Norwegian summers with our electric midnight suns, and every quondam slum and alley, every common yard or stairway, will be fully illuminated at all hours. The municipal gas-lamp will be equivalent to thousands of extra police; and also, indeed, to several new Royal Commissions. Many of our municipal vices, to be hated, need but to be seen.

A modern city is already essentially a place of pipes, and the future London will be mainly "worked" from below the surface. Tunnels under every street will conduct innumerable pipes and wires for every conceivable purpose. In these days of realism we go for imagination, not to poets or novelists, but to our political economists, and, sure enough, here is Professor Marshall giving our County Councillors the needful hint, in a book which most of them will unfortunately never read. "Motive power," he says, "and possibly even heat, might then be generated at great distances from the towns (in some cases at the bottom of coal mines), and laid on wherever wanted. Soft water and spring water, and perhaps sea water, might be laid on in separate pipes to nearly every house; while steam-pipes might be used for giving warmth in winter, and compressed air for lowering the heat of summer; or the heat might be supplied by gas of great heating power laid

on in special pipes, while light was derived from gas specially suited for the purpose, or from electricity; and every house might be in electric communication with the rest of the town. All unwholesome vapours, including those given off by any domestic fires which were still used, might be carried away by strong draughts through long conduits, to be purified by passing through large furnaces, and thence away through huge chimneys into the higher air."[1]

Then as to locomotion. In order to relieve the pressure of population in the centre, and reduce the rents of the metropolitan "Connaughts," the County Council tramways will doubtless be made as free as its roads and bridges. Taxes on locomotion are universally condemned, and the economic effects of a penny tram fare are precisely the same as those of a tax on the trip. The County Council will, however, free its trams on the empirical grounds of economy and the development of its suburban estates of artisans' dwellings, built on land bought to retain the unearned increment for the public benefit. Free trams may well imply free trains in the metropolitan and suburban area. Does not the Council already run a free service of steamboats on the Thames at North Woolwich—eventually, no doubt, to be extended all along the stream?

[1] "Principles of Economics," Vol. I., page 287. (London: Macmillan, 1890.)

Public libraries and reading-rooms in every ward are nearly here already, but we may expect that the library and the public hall will go far to cut out the tavern (at present our only "public" house) as the poor man's club. Public lavatories and waiting-rooms, with conveniences for writing, telegraphing, and telephoning, will be adjuncts of every public building. The "tape" (perhaps purged of its sporting items) may become a public institution, just as Reuter's telegrams are to-day subscribed for by Colonial Governments for the gratuitous satisfaction of the public curiosity. As for bands of music in the parks, municipal *fêtes* and fireworks on "Labour Day," and other instances of the communalization of the means of "enjoyment"—all this is already common form in France. The parks, indeed, will be tremendous affairs. The new towns in the suburban belt will, as at Chicago, be connected by shady avenues, expanding at intervals into a ring of parks intersected by winding country lanes, bought up and preserved by a generation to whom Rye Lane and Lisson Grove serve as hideous warnings of the consequences of neglect.

All this relates more to the comfort than to the maintenance of life, and, indeed, it is probable that public ownership of the means of enjoyment will, for a long time, outstrip public ownership of the means of production. But when London's gas, and water, and

markets are owned and controlled by its public authorities; when its tramways and perhaps its local railways are managed, like its roads and parks, not for private profit, but for public use; when the metropolis at length possesses its own river and its own docks; when its site is secure from individual tyranny, and its artisans' dwellings from the whims of philanthropy; when, in short, London collectively, really takes its own life into its own hands, a vast army of London's citizens will be directly enrolled in London's service. The example of short hours of labour, adequate minimum wages, and regularity of employment set by this great employer of labour will go as far to extinguish the "sweater," as it will have done to supersede the demoralizing scramble for work at the dock gates. The example of the municipal artisans' dwellings and common lodging-houses will co-operate with a drastic administration of the sanitary law in securing for even the poorest London worker at least as good a home as is provided for the meanest of its cab-horses. With decent housing, short hours, regular work, and adequate wages the worker will at last have been placed in a position really to take advantage of the opportunities for civilization which life in the capital of the Empire should imply. London, clothed, and in its right mind, may at length come to take its proper place in the history of cities, pre-eminent, no longer only in size, but also in all the

civilization rendered possible by the "higher freedom" of collective life.

And the cost of it all? Probably much less than is already wastefully spent by London's million families. "Municipalization" usually implies merely the substitution of collective for individual spending, the progress from private to co-operative outlay. For the rest, London's annual unearned increment would of itself suffice. It is not money that is lacking to turn "London as it is" into "London as it might be," but only ideas, some growth in public imagination, and a development of the ordinary civic virtues of municipal life. Let us diligently seek to make our London what it can be, and all these shall be added unto us!

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